

**FBIS****DAILY REPORT  
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Vol I No 105

30 May 1984

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ZHANG AIPING TO VISIT UNITED STATES IN JUNE

OW300839 Beijing XINHUA in English 0833 GMT 30 May 84

[Text] Beijing May 30 (XINHUA) -- Zhang Aiping, Chinese minister of national defense, will pay a return visit to the United States in June at the invitation of Caspar Weinberger, secretary of defence of the United States. Details of the visit are now under consultation. This was announced by Yu Zhizhong, deputy director of the Information Department of the Foreign Ministry, at a weekly news briefing here this afternoon.

U.S. CONSULATE GENERAL OPENS IN SHENYANG

OW300909 Beijing XINHUA in English 0905 GMT 30 May 84

[Text] Shenyang, May 30 (XINHUA) -- The general consulate of the United States of America in Shenyang, capital of Liaoning Province, opened here today. Arthur W. Hummel, Jr., U.S. Ambassador to China, and James H. Hall, the consul general, presided over the opening ceremony and hosted a reception that followed. Among those present were vice governor of Liaoning Province Zhang Zhiyuan and Vice Mayor of the Shenyang Zhang Hongjun.

SCIENTISTS ATTEND SYMPOSIUM IN NEW YORK

OW261019 Beijing XINHUA in English 0841 GMT 26 May 84

[Text] New York, May 25 (XINHUA correspondent Bao Guangren) -- Three Chinese scientists today read their papers on ancient Chinese scientific achievements at a symposium of the 150th national meeting of the American Association for the Advancement of Science (AAAS) which is in session from May 24 to 29. Three Chinese scientists were specially invited by the AAAS to speak at the symposium on the theme "Science in China's Past: Recent Discoveries." The three papers are entitled: The "Development of Ancient Chinese Metallurgy and Its Role in Chinese History" by Professor T. Ko of the Beijing Institute of Iron and Steel Technology, the "New Archeoastronomical Discoveries in China" by Associate Professor Xi Zezong of the Institute for the History of Natural Science in Beijing, and the "Documentary Discoveries Concerning Ancient Chinese Medical Science" by Associate Professor Li Jingwei of the Institute of Medical History and Documents. This is the first time the AAAS holds a session on ancient Chinese scientific achievements. In 1981, a session on Chinese medical science was held by AAAS.

Three American scientists also reported their findings at the symposium. Through photo exhibits, film shows and discussions, they said that China's development of an indigenous science and technology is well documented. Until at least the 15th century A.D., China was in advance of the West in many fields of science and technology. They cited numerous Chinese achievements in agriculture, engineering, mining, armaments, paper, and printing that were duplicated in the West only after a lag of several centuries.

About 1,200 scientists, engineers, professors and other specialists will speak at 190 symposiums at this annual meeting, at least 5 of them were Nobel Prize winners. Present at the meeting were 5,000 registrants, 200 of them are from other countries, 4,000 young students selected from high schools in New York and 1,000 reporters. The AAAS was founded in 1848 with the purpose of "furthering the work of scientists, facilitating cooperation among them, fostering scientific freedom and responsibility, improving the effectiveness of science in the promotion of human welfare, and increasing the public understanding and appreciation of the importance of the methods of science in human progress." Compared with the previous meetings, this meeting has laid more emphasis on scientific development in the Third World countries. About 10 sessions are being held on Third World topics. Besides symposiums, science film shows, photo exhibitions and other exhibitions will be held during the meeting.

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PRC INTERNATIONAL AFFAIRS  
SOVIET UNION

C 1

USSR MERCHANT MARINE GROUP CONCLUDES PRC VISIT

OW261311 Beijing XINHUA in English 1250 GMT 26 May 84

[Text] Beijing, May 26 (XINHUA) -- A six-member mission from the Ministry of Merchant Marine of the Soviet Union, led by Vice Minister B.A. Yunitsyn, flew home yesterday after a two-week visit to China, according to the Chinese Ministry of Communications today. After its arrival here on May 10, the mission had exchanged views with departments concerned on Maritime transportation and port management. Chinese Minister of Communications Li Qing also met with the mission.

VOLLEYBALL TEAM ARRIVES IN USSR FOR COMPETITION

OW300333 Beijing XINHUA Domestic Service in Chinese 0230 GMT 28 May 84

[By reporter Wang Chongjie]

[Excerpts] Riga, 27 May (XINHUA) -- The Chinese, Japanese, U.S., and Soviet women's volleyball teams today gathered in Riga, the capital of the Latvian Soviet Socialist Republic, ready for keen competition in a tournament, which will be the most important event for world women's volleyball prior to the Los Angeles Olympics.

Sponsored by the Soviet Volleyball Association, this invitational tournament will be conducted in the form of a double round-robin series. The first round of competition will be held from 28 to 30 May in Riga, and the second round between 1 and 3 June in Leningrad, the second largest city in the Soviet Union.

The Chinese women's volleyball team arrived in Moscow on the afternoon of 25 May. It plunged into intense practice in the evening of the same day. Both the Japanese and U.S. teams arrived in Moscow on 26 May. The three teams came to Riga on 27 May in the same plane.

CHERENKO OBJECTS TO MISSILES IN WEST EUROPE

OW300753 Beijing XINHUA in English 0648 GMT 30 May 84

[Text] Moscow, May 29 (XINHUA) -- Soviet leader Konstantin Chernenko today again expressed objection to the West European countries' approval of the U.S. deployment of missiles on their territories. Chernenko made clear his position in a letter to Petra Kelly, a member of the Greens Party in Federal Germany, who wrote to the Soviet leader on how to preclude the possibility of the use of nuclear or chemical arms against Federal Germany. According to a TASS report, Chernenko said in his letter that there is only one way to achieve this. That is, under no circumstances should Federal Germany become a bridgehead for the preparation and perpetration of aggression against the USSR and its allies with the use of the above-mentioned or other weapons.

KAMPUCHEA'S SIHANOUK CONCLUDES PRC VISIT

OW300244 Beijing XINHUA in English 0229 GMT 30 May 84

[Text] Beijing, May 30 (XINHUA) -- Samdech Norodom Sihanouk, president of Democratic Kampuchea, and Madame Monique Sihanouk left here for a friendship visit to Japan by air this morning at the invitation of the Japanese Government. Seeing them off at the airport were Zhu Xuefan, vice chairman of the National People's Congress Standing Committee, and Han Nianlong, adviser to the Foreign Ministry. On hand also were Koji Watanabe, minister of the Japanese Embassy in Beijing, and diplomatic envoys to China of a number of Asian, African and European countries. Visiting Malaysian Foreign Minister Tan Sri Ghazali Shafie was also present at the airport.

SIHANOUK'S SON HAILS KAMPUCHEANS' ANTI-SRV STRUGGLE

OW291229 Beijing XINHUA in English 1211 GMT 29 May 84

[Text] Phnom Malai, Democratic Kampuchea, May 29 (XINHUA) -- Norodom Narindrapong, youngest son of Samdech Norodom Sihanouk, in an interview with XINHUA here yesterday, highly praised the achievements of the Democratic Kampuchean Coalition Government and the fighting spirit of the Democratic Kampuchean National Army against Vietnamese aggressors. Norodom Narindrapong is now on his second visit to the liberated areas of Democratic Kampuchea beginning early this month. In his first visit at the end of 1980, Norodom Narindrapong stayed in the liberated areas for three months during which he on several occasions joined transportation teams to carry ammunition, food and other supplies to the frontline. He is noted among the people for living a hard, plain life.

He told a group of XINHUA correspondents that generally speaking, the struggle against Vietnamese aggressors has been developing steadily in every field for the past three years. Fruitful work has been done in the diplomatic field by the Coalition Government of Democratic Kampuchea [CGDK]. The leaders of the Coalition Government are now in close cooperation, he said. Norodom Narindrapong is fully confident in the future of his country. He said that judging from successes scored by the patriotic Armed Forces in their guerrilla war against Vietnamese aggressors, Vietnam is doomed to failure. As for a political solution to the Kampuchea issue, he believed it must be backed up by a military triumph over the Vietnamese. He told XINHUA that the personal experience of a fighter's life in frontline trenches gave feelings quite different from those when living abroad. He said the National Army of Democratic Kampuchea is now waging an extremely arduous struggle. Both officers and men of the National Army are setting strict demands on themselves. They are united and happy. "I also shared their joy," he said. Improvements have also been made in the past three years in construction work and in the improvement of people's livelihood in the liberated areas. Norodom Narindrapong said as a son of Samdech Norodom Sihanouk, he will fight for the liberation of the whole nation till final victory.

MALAYSIAN FOREIGN MINISTER VISITS PRC

XINHUA Interview

OW291218 Beijing XINHUA in English 1208 GMT 29 May 84

[Text] Hong Kong, May 29 (XINHUA) -- Malaysian Foreign Minister Mohamed Ghaszali bin Shafie said here today that the Vietnamese must withdraw from Kampuchea to make that country independent, neutral and non-aligned again.

In an exclusive interview with XINHUA before his departure for Beijing for an official visit, the minister said that Malaysia and other member states of the Association of the Southeast Asian Nations (ASEAN) are committed to attain this objective. A spokesman of the foreign minister's party said that the foreign minister would meet Samdech Norodom Sihanouk, president of Democratic Kampuchea, in Beijing this evening to discuss with him the international and regional situation as well as the Kampuchean issue. Ghazali said that China and Malaysia can make common effort to maintain world peace. "Sometimes, we are following different routes because of our different background, but we have the same objective," the minister stressed.

Arrives in Beijing

OW291245 Beijing XINHUA in English 1226 GMT 29 May 84

[Text] Beijing, May 29 (XINHUA) -- Malaysian Foreign Minister Tan Sri Mohamed Ghazali bin Shafie arrived here this afternoon, starting his eight-day friendly visit to China at the invitation of Wu Xueqian, Chinese state councillor and foreign minister. Greeting Ghazali and his party at the airport were Wu Xueqian and Malaysian Ambassador to China Datuk J.A. Kamil.

During his visit to China, Foreign Minister Ghazali will meet with Chinese leaders and hold talks with them on international situation, bilateral relations and other issues of common concern. Ghazali will also attend celebrations of the tenth anniversary of the establishment of diplomatic relations between the two countries. Accompanying Ghazali on his visit were a number of people of economic circles of Malaysia. They will hold discussions with Chinese departments on economic cooperation and technical exchanges between China and Malaysia. This is Foreign Minister Ghazali's first official visit to China, and also a return visit to his counterpart Wu Xueqian's visit to Malaysia last February.

ZHAO ZIYANG SENDS MESSAGE TO MALAYSIAN PREMIER

OW291859 Beijing XINHUA in English 1643 GMT 29 May 84

[Text] Beijing, May 30 (XINHUA) -- Chinese Premier Zhao Ziyang today sent a message to Malaysian Prime Minister Datuk Sri bin Mohamed bin Mahathir to mark the 10th anniversary of the establishment of diplomatic relations between China and Malaysia. The message said that "the normalization of Sino-Malaysian relations opened a new chapter in the annals of the relationship between the two countries." It noted that bilateral exchanges and cooperation in political, economic, cultural and other fields have steadily increased in the past 10 years, which not only serves the interests of the peoples of the two countries, but also is conducive to peace and stability in Southeast Asia. Premier Zhao's message included the assurance that the existing friendly relations and cooperation between China and Malaysia are certain to improve even further in the years to come.

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PR C I N T E R N A T I O N A L A F F A I R S  
W E S T E R N E U R O P E

C 1

R E P O R T A G E O N Z H A O Z I Y A N G ' S W E S T E R N E U R O P E V I S I T

Leaves for France

OW291513 Beijing XINHUA in English 1456 GMT 29 May 84

[Text] Beijing, May 29 (XINHUA) -- Chinese Premier Zhao Ziyang left here for France this evening at the start of his official visit to France, Belgium the European Communities, Sweden, Denmark, Norway and Italy. At a brief airport press conference, Zhao Ziyang said his European trip was aimed at seeking peace, friendship and cooperation. Both China and Western Europe were working to avert the danger of war and maintaining world peace, Zhao said. They needed each other and would supplement each other's needs in their economic development. Efforts to increase cooperation and exchanges between China and Western Europe were in accord with the aspirations and fundamental interests of the peoples and would have a great impact on peace, stability and economic prosperity in Asia, Europe and the whole world, he said.

Zhao added that he had been looking forward to holding wide-ranging exchanges of views on issues of common concern with his hosts and leaders of the European Communities. He also said he hoped his visit would help deepen the friendship between the Chinese people and people of Western Europe, and promote friendly cooperation in various fields and maintain world peace. Premier Zhao also answered questions raised by journalists.

Seeing Zhao off at the airport were senior party and state officials including Wan Li, Yang Shangkun, Yu Qiuli, Chen Muhua, Chen Pixian, Hu Qili, Tian Jiyun, Ji Pengfei, Wu Xueqian, Wang Zhaoguo, Yang Dezhong, Yuan Baohua, Peng Min, Liu Fuzhi and Shen Tu. Accompanying Premier Zhao on the visit were Zhang Jingfu, state councillor and minister in charge of the Chinese State Economic Commission, Chen Chu, deputy secretary-general of the State Council, Qian Qichen, vice-minister of foreign affairs, Jia Shi, vice-minister of foreign economic relations and trade, and Tao Siju, vice-minister of public security. Also present at the airport were diplomatic officials in Beijing of France, Belgium, Sweden, Denmark, Norway and Italy.

Arrives in Paris

OW300657 Beijing XINHUA in English 0642 GMT 30 May 84

[Text] Paris, May 30 (XINHUA) -- Chinese Premier Zhao Ziyang arrived here this morning to start an 18-day tour of Western Europe to "seek peace, friendship and cooperation." This is his first trip to this part of the world since becoming head of the Chinese Government in September, 1980. He will visit France, Belgium, the European Community, Sweden, Denmark, Norway and Italy.

In a written statement issued upon arrival at Orly Airport, the Chinese leader praised France for its great contribution to the civilization and progress of mankind in the past and its important role in world peace and development today. He noted with pleasure the steady growth of Sino-French relations in the two decades since they established diplomatic ties and said that in the turbulent and changing world situation at present, the common cause of defending state sovereignty, striving for economic development and safeguarding world peace requires the two countries to increase consultation and strengthen cooperation.

He is expected to meet President Mitterrand later this morning for talks on the world situation, Sino-French relations and other matters of mutual concern and to make an address on China's foreign policy at the Hotel de Lassay of France's National Assembly this afternoon. He will also meet other French Government leaders [as received] of the country. His itinerary in France includes a tour of a nuclear power plant near Lyon and a brief visit to Lille in northern France before leaving for Brussels on Sunday. The Chinese premier is accompanied by State Councillor and Minister in charge of the State Economic Commission Zhang Jingfu, Deputy Secretary-General of the State Council Chen Chu, Vice Minister of Foreign Affairs Qian Qichen, Vice Minister of Foreign Economic Relations and Trade Jia Shi and Vice Minister of Public Security Tao Siju.

#### Further on Arrival

OW300955 Beijing XINHUA in English 0935 GMT 30 May 84

[Excerpts] Paris, May 30 (XINHUA) -- Chinese Premier Zhao Ziyang arrived here at 8:30 a.m. local time today to start his five-day official visit to France. French Minister of Foreign Trade Edith Cresson was at the capital's Orly Airport to give Premier Zhao a warm welcome on behalf of President Francois Mitterrand and the French Government. Zhao is accompanied by State Councillor and Minister in charge of the State Economic Commission Zhang Jingfu, Deputy Secretary-General of the State Council Chen Chu and others. In the company of Edith Cresson and General Franceschi of the Paris Military Region, Premier Zhao reviewed a guard of honor. Two local Chinese children presented the Chinese leader with bouquets of flowers before he received representatives from the Chinese Embassy, Chinese students studying in the country and the Chinese communities here.

Premier Zhao sent messages of greetings to the leaders of the 14 countries over which his special plane flew.

#### RENMIN RIBAO on Visit

OW292001 Beijing XINHUA Domestic Service in Chinese 1750 GMT 29 May 84

[Text] Beijing, 30 May (XINHUA) -- RENMIN RIBAO on 30 May published an editorial, entitled "Another Significant Diplomatic Move," to acclaim Premier Zhao Ziyang's visit to Western Europe. The full text of the editorial reads as follows:

Premier Zhao Ziyang left Beijing on 29 May on an invitation to visit France, Belgium, the European Community, Sweden, Denmark, Norway, and Italy. The visit, which is aimed at seeking friendship, cooperation and peace, is another significant diplomatic move undertaken by the Chinese Government. It will play an important role in promoting the friendly cooperation between China and the Western European countries, enhancing bilateral economic and technical exchanges, and safeguarding world peace. We wish Premier Zhao Ziyang's trip complete success.

The long-standing, good relationship between China and the Western European countries has greatly developed in recent years and their political contacts and economic and cultural exchanges have steadily increased. A political consultative system has been established between China and some Western European countries and the European Community to regularly exchange views on international issues. China and a number of Western European countries have signed, or are negotiating to sign, agreements on protecting investment and avoiding dual taxation. Chinese enterprises and Western European factories and firms have signed agreements on joint ventures.

Friendly contacts between us have continuously increased. All this shows that China's relations with the Western European countries are progressing in a sound and fruitful way.

China and Western European countries do not have a fundamental conflict of interest but a common desire to seek friendly cooperation and a common need to expand economic and technical exchanges. Both share identical or similar views on many major international issues. Many Western European countries are agriculturally and industrially developed and possess advanced technology. A united European Community has become one of the world's major economic and political forces and plays an important role in international affairs. China is a developing country with expansive territories, a huge population, a vast market and rich resources. Thanks to the economic readjustment and reform and the policy of opening to the outside world, China's economic situation has become better and better in recent years. China will make greater strides in drawing funds and advanced technology from abroad. China and the Western European countries have their own strong points and advantages. There are broad prospects as well as a solid foundation for both sides to learn from each other, make up for each other's deficiencies, and cooperate in a friendly way on the basis of equality and mutual benefits.

China, like Western European countries, wishes to have a peaceful international environment and wishes to see world tensions ease. But the current situation in Europe is worrying as the two superpowers are carrying out their arms race with intermediate-range nuclear weapons, which not only imperils the security of European countries but also peace and stability in Asia and the world. Western European governments and peoples have increasingly opposed the superpowers' arms race and have called on the Soviet Union and the United States to resume their talks on reducing the nuclear arsenals. The Chinese Government and people support this just demand of European countries and people. In his trip to Western Europe, Premier Zhao Ziyang will exchange views with the leaders of the Western European countries on these major international issues and will brief them on China's independent and peace-oriented foreign policy in order to deepen the mutual understanding between China and the Western European countries. This will surely have a positive effect on safeguarding world peace and stability.

The advancement of political, economic, cultural, scientific and technical cooperation with the Western European countries is an important part of China's foreign policy. In the course of modernizing the country, the Chinese people have always seen Western Europe as a friendly partner. We believe that Premier Zhao Ziyang's visit and the joint efforts made by all sides will advance China's friendly cooperation with Western Europe to a higher stage.

#### Commentator Views Trip

HK300136 Beijing CHINA DAILY in English 30 May 84 p 4

[CHINA DAILY commentator: "Visit To Strengthen Ties"]

[Text] Premier Zhao Ziyang leaves Beijing today for his first visit to West Europe where, he says, he will seek friendship, co-operation and peace. He will spend 18 days visiting France, Belgium, Sweden, Denmark, Norway and Italy, and the European Communities in Brussels.

Situated at the opposite end of the old continental land mass, the West European countries, nevertheless, have identical or similar views with China on many major international issues, and are China's important trade partners. And there is no conflict of fundamental interest between China and those countries.

Co-operation between a united and powerful Europe and a prosperous and strong China is of great importance to world peace and stability, and also conforms to the aspirations of the people of the West European countries and of China. In pursuance of China's policy of independence and for peace, Premier Zhao will, no doubt, make better known the country's position on problems of mutual concern. Like the West European countries, China is deeply concerned about the international tensions, and China considers the rivalry between the two superpowers for global hegemony and their arms race to be their root cause.

#### Peace Movement

To relax the strained world situation, China believes that both the arms race between the superpowers and the local wars instigated or supported by them in various parts of the world must come to an end. China wishes to see relaxation of global as well as regional tensions, and any efforts in this direction will have the support of China.

China has expressed sympathy and support for the massive peace movements against nuclear weapons, nuclear threats and the nuclear arms race that have emerged over the past few years in Europe and elsewhere. On the other hand, China doubts whether it is meaningful to talk about universal disarmament unless the superpowers are willing to reduce drastically their nuclear and conventional weaponry. And China sees no contradiction between efforts of European countries to beef up defence for their own security and the maintenance of European peace.

China upholds the five principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefits, and peaceful co-existence, and considers them equally applicable in guiding relations between countries of different or similar social systems. Once these principles are universally applied, China is convinced, the international situation will be stabilized and world peace safeguarded.

Premier Zhao Ziyang will naturally avail himself of this opportunity to expound to his European hosts China's efforts at modernization, of which expanding economic reform to the industrial sector and the policy of opening to the outside world are its two main aspects.

In the light of the successful experiments in the last five years, China is expected to continue relaxing its policies to further improve economic performance of its enterprises and facilitate introducing advanced technology from abroad. Foreign entrepreneurs, those from the West European countries in particular, are welcome to invest, open joint ventures and run businesses owned solely by themselves.

As the premier has pointed out, China finds the satisfactory development of friendly relations and co-operation with the countries he will visit and with the EEC, and hopes that the West European countries will increase their share in China's foreign trade and economic and technological co-operation following his visit.

We wish the premier bon voyage and every success on his visit so that the good relations with his host countries and the EEC will develop on a lasting and stable basis in the interest of maintaining world peace, and that bilateral and multi-lateral economic co-operation with them will be furthered in the interest of China's modernization.

## French Officials Comment

OW291645 Beijing XINHUA in English 1622 GMT 29 May 84

[Text] Paris, May 28 (XINHUA correspondent Yang Qi) -- Government officials and other leading figures here have underlined the importance in terms of international relations and bilateral cooperation of the forthcoming visit by Chinese Premier Zhao Ziyang to France. The spokesman for the presidential palace, Michel Vanzelle, told XINHUA today: "We hope the Chinese premier's visit will offer an opportunity for a review of the two countries' improved cooperative relations since President Francois Mitterrand's visit to Beijing last year, and will further advance bilateral relations." Since his inauguration, Vanzelle said, President Mitterrand has demonstrated his personal friendship and France's concern about China. "Politically, we are much concerned about maintaining steady relations with China. Both France and China are big powers playing a very important role on the international scene, contributing through their cooperation to world peace and to the establishment of better relations with developing countries." With the two superpowers currently vying for hegemony, he said, "the Franco-Chinese dialogue is of very positive significance." "Economically," Vanzelle continued, "the determination of Chinese leaders to speed up national construction leaves a deep impression on us. We may engage in interesting cooperation in several domains, such as in telecommunications and nuclear energy."

Bernard Garcia, diplomatic adviser to French Prime Minister Pierre Mauroy, gave a special news briefing this morning to outline the schedule of Premier Zhao's forthcoming visit. "We expect the visit will reinforce our political relations and develop economic and cultural exchanges," he said. He said that both France and China stand for national independence, defense autonomy, disarmament and support for the Third World. Since the two countries established diplomatic relations 20 years ago, he said, they have both been striving to keep international problems clear of superpower influence, to establish a more diversified world and reduce international tensions.

In an interview with Chinese radio reporters, French Foreign Trade Minister Edith Cresson dealt with economic relations between the two countries, saying "We have made progress and France is disposed for cooperation with China. There exist vast possibilities for cooperation between the two countries in nuclear energy, aeronautics, rail transport and chemicals. We can do many things to the benefit of both countries."

Francis Gutmann, secretary general for the External Relations Ministry, told Chinese reporters that he was happy that France and China shared common views on major international issues. On bilateral relations, he said there existed a basis for cooperation between the two countries in trade, science, education, technological transfer, and in China's reform of its small and medium-sized industries.

Executive chairman of the France-China Friendship Society, Louis Bejin, said that Premier Zhao's visit will promote mutual understanding and advance relations between the two countries. The friendship society has been striving in the past 30 years and will continue to do its utmost to develop relations between the two countries, he noted.

REPORTAGE OF KIM IL-SONG'S VISIT TO POLAND

Arrives in Warsaw

OW271332 Beijing XINHUA in English 1246 GMT 27 May 84

[Text] Warsaw, May 27 (XINHUA) -- Kim Il-song, president of the Democratic People's Republic of Korea and general secretary of the Central Committee of the Workers Party of Korea, arrived here today for a three-day official and friendship visit at the head of a Korean state and party delegation. It is Kim's first visit to Poland since 1956. He has just visited the Soviet Union and is scheduled to go to other East European countries.

The Korean president was greeted at the central railway station by Polish leader Wojciech Jaruzelski, president of the Council of State and other Polish party and government leaders. The government paper REPUBLIC said in a commentary Saturday that Kim Il-song's visit "will not only strengthen the friendship between the two countries but also promote their cooperation in the economic and cultural fields."

Talks With Jaruzelski

OW290837 Beijing XINHUA in English 0754 GMT 29 May 84

[Text] Warsaw, May 28 (XINHUA) -- Kim Il-song, president of the Democratic People's Republic of Korea (DPRK) and general secretary of the Central Committee of the Workers' Party of Korea, had a meeting today with Wojciech Jaruzelski, Polish premier and first secretary of the Polish United Workers' Party (PZPR). They discussed European and Asian peace and security as well as international cooperation. Jaruzelski accepted an invitation from Kim to visit Korea.

Other Polish party and state leaders including the State Council president Henryk Jablonski and the whole Korean delegation participated in the talks. In addition, DPRK premier and Politburo member of the Central Committee of the Workers' Party of Korean Kang Song-san and Politburo member and Secretary of the Central Committee of PZPR Kazimierz Barcikowski presided over a group meeting to further discuss economic cooperation and relations between the two countries.

On the same day, Jaruzelski hosted a dinner in honor of Kim and his party. At the dinner both leaders emphasized that the people of all countries should unite to oppose interference in other countries' internal affairs, oppose threats of war and safeguard world peace. Jaruzelski said that Poland "fully supports the Korean people's struggle against U.S. imperialist intervention and supports the demand of the DPRK and the workers' party for the withdrawal of U.S. troops from South Korea."

In his speech Kim expressed his understanding of the declaration by the Polish authorities of a state of war at the end of 1981 in view of the then critical domestic situation in Poland. He pointed out that this resolute measure ensured domestic security and stability and safeguarded Poland's sovereignty and the socialist achievements of the Polish people." [quotation marks as received] During his visit to Poland, Kim said, both sides exchanged views on matters of common concern and reached a consensus.

Departs for Berlin

OW291325 Beijing XINHUA in English 1312 GMT 29 May 84

[Text] Warsaw, May 2 (XINHUA) -- President Kim Il-song of the Democratic People's Republic of Korea left here this morning by train for Berlin after a three-day visit to Poland.

He was seen off at the central railway station by Wojciech Jaruzelski and other Polish leaders. While in Poland, leaders of the two countries held talks on the strengthening of bilateral political and economic cooperation, and exchanged views on international issues. Kim Il-song arrived here on May 27 following a visit to the Soviet Union.

Polish Spokesman's Remarks

OW300236 Beijing XINHUA in English 0419 GMT 30 May 84

[Text] Warsaw, May 29 (XINHUA) -- Poland has agreed to help the Democratic People's Republic of Korea to open an anthracite mine with an annual production of 60 million tons and to exploit magnesite, government spokesman Jerzy Urban announced here today. At a press conference on the visit of Korean President Kim Il-song and the party and government delegation he leads, Urban disclosed that a Polish-Korean commission will meet in Pyongyang at the end of June to discuss details of the two projects and other problems of economic cooperation between the two countries. He said that Poland is interested in importing some of Korea's natural resources.

Urban said that during the talks Polish leaders supported Korea's demand for the withdrawal of U.S. troops from South Korea and the realization of peaceful reunification of Korea. On its part, Korea supported the policies of the United Workers' Party and Government of Poland for stabilizing the domestic situation and developing socialism, he said. The two sides also expressed the hope to "further strengthen the internationalist friendship and cooperation between the two countries," the spokesman said. He said that on the international situation, the two sides expressed concern over the aggressive policy pursued by the United States throughout the world.

CZECHOSLOVAK FOREIGN TRADE MINISTER VISITS PRC

OW251505 Beijing XINHUA in English 1449 GMT 25 May 84

[Text] Beijing, May 25 (XINHUA) -- Bohumil Urban, Czechoslovak minister of foreign trade and his party arrived here today for a friendship visit to China at the invitation of Chinese Foreign Economic Relations and Trade Minister Chen Muhua. Greeting them at the airport was Wang Pingqiang, deputy to the minister of foreign economic relations and trade.

Meets Chen Muhua

OW261700 Beijing XINHUA in English 1603 GMT 26 May 84

[Text] Beijing, May 26 (XINHUA) -- Chen Muhua, state councillor and minister of foreign economic relations and trade, had a full exchange of views here today with Bohumil Urban, Czechoslovak minister of foreign trade, on the development of economic, trade and technological cooperation between China and Czechoslovakia. Chen Muhua said that there had been gradual growth in two-way trade since the countries established diplomatic ties more than three decades ago. "We should cooperate in more flexible and varified forms," she said.

Urban said that his country was willing to expand trade and carry out long-term cooperation with China, for the countries had traditional friendly relations.

Chen Muhua gave a dinner to welcome the Czechoslovak minister. Present on both occasions were Czechoslovak Government officials accompanying the minister to China and Czechoslovak Ambassador to China Zdenek Cheben.

REPORTAGE OF BRAZILIAN PRESIDENT'S PRC VISIT

## Arrives in Beijing

OW271503 Beijing XINHUA in English 1440 GMT 27 May 84

[Text] Beijing, May 27 (XINHUA) -- Joao Baptista de Oliveira Figueiredo, president of the Federative Republic of Brazil, and Mrs Figueiredo arrived here this evening by special plane for a four-day official friendship visit to China at the invitation of President Li Xiannian. As the first Brazilian president visiting China, President Figueiredo will exchange views with Chinese leaders on international issues of common concern and on furthering bilateral relations.

Accompanying the president on the visit were Ramiro Saraiva Guerreiro, minister of foreign affairs, Cesar Cals de Oliveira Filho, minister of mines and energy, Rubem Carlos Ludwig, chief of the Military Affairs Office of the presidential house, Antonio Delfim Netto, minister of Planning Secretariat of the presidential house, and senators and deputies, as well as businessmen from industrial and commercial circles.

President Figueiredo and his party were greeted at the airport by Gao Yangwen, chairman of the reception committee and minister of coal industry, and his wife, Han Xu, vice minister of foreign affairs, Zhu Qizhen, assistant foreign minister, Chinese Ambassador to Brazil Xu Zhongfu and his wife, as well as Brazilian Ambassador to China Italo Zappa and Mrs Zappa. Two youngsters presented flowers to President and Mrs Figueiredo.

## Li Xiannian Welcomes Figueiredo

OW280320 Beijing XINHUA in English 0306 GMT 28 May 84

[Text] Beijing, May 28 (XINHUA) -- Brazilian President Joao Baptista de Oliveira Figueiredo and Mrs Figueiredo were welcomed at a red-carpet ceremony presided over by Chinese President Li Xiannian here this morning. Colorful bunting were strung across the main thoroughfare in the Chinese capital. The national flags of China and Brazil fluttered over a plaza to the east of the Great Hall of the People. President Li Xiannian shook hands and exchanged greetings with President Figueiredo and his party when they arrived at the plaza, in the company of Gao Yangwen, chairman of the reception committee and minister of coal industry.

President and Mrs Figueiredo were presented bouquets of flowers by two children. At 9:39 a.m., the two leaders stood together as a military band played the national anthems of Brazil and China and a 21-gun salute rang over the plaza. Accompanied by President Li, President Figueiredo reviewed an honor guard made up of men of the three services of the Chinese People's Liberation Army. When they walked past a welcoming crowd, more than 300 youngsters waved bouquets and colorful ribbons and performed dances.

Also present at the ceremony were Lin Jiamei, wife of President Li, Wu Xueqian, state councillor and foreign minister, and Qian Zhengying, minister of water resources and electric power. On hand also were Ramiro Saraiva Guerreiro, Brazilian minister of foreign affairs, and Cesar Cals de Oliveira Filho, minister of mines and energy. The Brazilian ambassador to China, Italo Zappa, and Mrs Zappa, and the Chinese ambassador to Brazil, Xu Zhongfu, and his wife were present at the ceremony.

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PRC INTERNATIONAL AFFAIRS  
WESTERN HEMISPHERE

Meets Li Xiannian

OW280835 Beijing XINHUA in English 0808 GMT 28 May 84

[Text] Beijing, May 28 (XINHUA) -- Chinese President Li Xiannian met with Brazilian President Joao Baptista de Oliveira Figueiredo, Mrs Figueiredo and their party at the Great Hall of the People here this morning. Extending a warm welcome to the Brazilian guests, President Li said that China is satisfied with the development of the very good relations between China and Brazil.

President Figueiredo said the fact that President Li had invited him to visit China was an indication of the close friendship which the two countries had forged.

Li Xiannian described Brazil as a big country which rich resources. He said that the current visit by President and Mrs Figueiredo would help increase the mutual understanding between the two countries. China and Brazil hold identical views on many international issues, he added.

President Figueiredo said that he agreed with President Li Xiannian and added that Brazil and China really have a firm basis for development of relations. The Brazilian president said that he and his party would make wide contacts in China and enhance cooperation between the two countries.

Also present on the occasion were Wu Xueqian, Chinese state councillor and foreign minister, and Lin Jiamei, wife of President Li Xiannian.

Talks With Zhao Ziyang

OW280930 Beijing XINHUA in English 0917 GMT 28 May 84

[Text] Beijing, May 28 (XINHUA) -- Chinese Premier Zhao Ziyang and Brazilian President Joao Baptista de Oliveira Figueiredo exchanged views on the international situation and bilateral relations at the Great Hall of the People here this morning. Their views were similar or identical on many major issues.

Zhao Ziyang briefed the visitors on China's position on current international affairs and the essential points of China's independent foreign policy which is aimed at safeguarding world peace. People the world over are concerned about peace, he said. The Chinese people, who are involved in the socialist construction of their country with all their heart and soul, also desire peace, he added. Zhao Ziyang said the international situation had been intensified when nuclear disarmament negotiations between the Soviet Union and the United States came to a halt. China hoped that the two superpowers would stop deploying missiles in various countries, resume their negotiations and reach an agreement on disarmament which would not infringe upon the interests of other countries, he said. China also hoped that the relations between Eastern and Western Europe would improve to end the serious confrontation between the two military blocs. This would help ease the tense international situation and uphold world peace, the premier said. Zhao Ziyang said that as long as the people of the world strengthen their unity and make unremitting efforts, world peace could be safeguarded. In this respect, he said, Third World countries should play a bigger role.

President Figueiredo said he agreed with China's positions on some current international issues. He went on to expound his country's positions on the situations in Europe, Asia, Latin America, and the Middle East and Gulf region. He said that Brazil supported the Contadora Group in its effort to solve the Central American question. On Brazilian-Chinese relations, the president said that although the two countries had different social systems this did not prevent them from developing friendly relations. Common interests could be pursued through various channels, he said.

Premier Zhao said China and Brazil established diplomatic ties 10 years ago. He hoped that in the coming 10 years the two countries would increase their friendship and cooperation. This was in the interests of the two peoples and of great significance in promoting the unity of Third World countries and South-South cooperation. China attached great importance to Sino-Brazilian friendship and cooperation, said Zhao Ziyang.

Taking part in the talks on the Brazilian side were Ramiro Saraiva Guerreiro, minister of foreign affairs, Major General Rubem Carlos Ludwig, chief of the military household of the Presidency; and Italo Zappa, Brazilian ambassador to China. On the Chinese side were Wu Xueqian, state councillor and foreign minister; Gao Yangwen, minister of the coal industry; and Xu Zhongfu, Chinese ambassador to Brazil.

Meets Hu Yaobang

OW281206 Beijing XINHUA in English 1158 GMT 28 May 84

[Text] Beijing, May 28 (XINHUA) -- Chinese Communist Party General Secretary Hu Yaobang today described the China visit of Brazilian President Joao Baptista de Oliveira Figueiredo as a new development in the friendly relations between the two countries. He said that China, a big country in Asia, and Brazil, a big country in Latin America, have many points in common. "Both countries are endeavoring to bring prosperity to their people as soon as possible both peoples love peace and oppose power politics," he noted. Hu Yaobang predicted bright prospects for Sino-Brazilian ties.

President Figueiredo said that Brazil is opposed to invasion by other countries and that it will never invade other countries. He said: "I think there are both the need and the possibility for Brazil and China to develop cooperation. We hope to see greater cooperation between our two countries in the economic, trade, cultural, scientific and technological fields."

Hu Yaobang asked the president to convey the best wishes of the Chinese leaders and people to the people of Brazil.

The Brazilian president reciprocated by extending the best wishes of the Brazilian people to the Chinese people.

Present at the meeting were Ramiro Saraiva Guerreiro, Brazilian foreign minister, Major General Rubem Carlos Ludwig, chief of the Military Office in the Presidency, and Italo Zappa, Brazilian ambassador to China. On hand were Chinese State Councillor and Foreign Minister Wu Xueqian, Minister of the Coal Industry Gao Yangwen and Chinese Ambassador to Brazil Xu Zhongfu.

## Visits Exhibit

OW281319 Beijing XINHUA in English 1236 GMT 28 May 84

[Text] Beijing, May 28 (XINHUA) -- President Joao Baptista de Oliveira Figueiredo of Brazil, now on an official friendship visit to China, and Rong Yiren, vice chairman of the Standing Committee of the National People's Congress, cut the ribbon here this afternoon to open the Brazilian industrial exhibition. The exhibition, sponsored by the Brazilian Government, was arranged to coincide with the president's China visit. It is being held in a domed pavilion of the Beijing Agricultural Exhibition Center and will be open until June 5.

More than 20 Brazilian industrial companies and trading firms are taking part in the exhibition. They include Petrobras, the biggest firm in Latin America, which is now cooperating with China in joint exploration and development for offshore petroleum in the South China Sea. Siderbras, the government-run steel company, is present as well as Volkswagen of Brazil and Volvo of Brazil, joint ventures between European automobile companies and Brazilian companies. On display are a wide range of products and photos showing the industrial development of Brazil. There are computers, trickle irrigation equipment, refrigerators, textiles, petrochemicals, shoes, glassware and coffee as well as many photos showing the production of steel, motor vehicles and machinery. Brazil is China's leading trading partner in Latin America. About 500 people were on hand for the opening ceremony. Among them were Gao Yangwen, chairman of the Chinese reception committee, Wang Yaoting, chairman of the China Council for the Promotion of International Trade, and Italo Zappa, Brazilian ambassador to China.

## Attends Banquet

OW281701 Beijing XINHUA in English 1636 GMT 28 May 84

[Text] Beijing, May 28 (XINHUA) -- Chinese and Brazilian presidents joined here this evening in reviewing the development of bilateral relations between China and Brazil. Speaking at a banquet for Brazilian President Joao Figueiredo, President Li Xiannian said the Chinese Government and people attached great importance to developing friendly relations with Brazil. "We are willing to work together with the Brazilian Government and people to push our cooperation to new heights during the next few years," Li said. Brazil was a country with economic strength and enormous potential for development, and was playing an increasingly important role in international affairs, he said. It followed a foreign policy of "peace and development", opposed power politics, stood for self-determination and the principle of non-interference, and called for reforms in the irrational international economic order, he said.

"We are willing to work together with Brazil and other Third World countries to maintain world peace, promote the South-North dialogue and South-South cooperation, and to establish a fair, rational and new international economic order," Li said.

"We are convinced that if the Third World countries strengthen their unity and cooperation, they will be able to contribute to safeguarding world peace and their economic rights and interests."

Since China and Brazil established diplomatic relations ten years ago, he added, they had respected each other and had recorded satisfying development in their cooperation in every field. "Our two countries have no fundamental conflicts of interest, and have shared identical or similar views on many international issues. Our two peoples are working hard to build our own countries." The conditions and prospects for bilateral economic and technical cooperation were good, he said.

President Figueiredo said that the rapid development of Sino-Brazilian relations was based on their shared views on major international issues and their economic, technical and cultural exchanges. Both countries hoped to guarantee bilateral cooperation in those fields possible to the fullest extent. To achieve this, the principle of self-determination and non-interference in each other's internal affairs should be strictly preserved and the differences between communities in countries of different social systems should be fully recognized, he said. Figueiredo said that it was necessary to establish a new international economic order and carry out South-South cooperation while having frank and fruitful dialogues with the developed countries. The rivalries between the superpowers, concentrating on the nuclear arms race and power politics, harmed the interests of the Third World countries, he said. The situation was becoming more and more grave, he added, and this could be strongly felt in Southeast Asia, Kampuchea, the Middle East, Afghanistan, southern Africa and Central America. "My visit will lead to the signing of agreements between our two countries on trade and economic, scientific and technical cooperation," Figueiredo said.

Among those present at the banquet were Rong Yiren, vice chairman of the Standing Committee of the National People's Congress; Wu Xueqian, state councillor and minister of foreign affairs; Lin Jiamei, wife of President Li Xiannian; Gao Yangwen, minister of coal industry; He Kang, minister of agriculture, animal husbandry and fisheries; Qian Zhengying, minister of water resources and electric power; Lu Jiaxi, president of the Academy of Sciences of China; and Xu Zhongfu, Chinese ambassador to Brazil. Also present were Italo Zappa, Brazilian ambassador to China, and Mrs Zappa.

#### Visits Monument

OW290306 Beijing XINHUA in English 0249 GMT 29 May 84

[Text] Beijing, May 29 (XINHUA) -- Brazilian President Joao Baptista de Oliveira Figueiredo laid a wreath at the Monument to the People's Heroes on the Tiananmen Square this morning, in the company of Gao Yangwen, chairman of the reception committee and minister of coal industry. Also present on the occasion were members of the president's party, and Italo Zappa, Brazilian ambassador to China.

#### Talks With Deng Xiaoping

OW291105 Beijing XINHUA in English 1044 GMT 29 May 84

[Text] Beijing, May 29 (XINHUA) -- Deng Xiaoping, chairman of the Central Advisory Commission of the Chinese Communist Party, told Brazilian President Joao Baptista de Oliveira Figueiredo today that China's foreign policy was independent and truly non-aligned.

China, he said, plays neither the U.S.A. nor the USSR card, nor does it allow others to play the China card.

The objective of China's independent policy, he added, was to strive for world peace, on the basis of which China would concentrate on its socialist modernization program to develop itself and build socialism with its own characteristics.

In a friendly conversation with Brazilian President Figueiredo in the Great Hall of the People, Deng noted two prominent issues in the world today, that of peace and the increasingly important South-North issue. In the age of nuclear arms, he said, if war broke out it would cause tremendous losses to humanity, so that hegemonism and power politics must be opposed in the quest for peace. Noting that the developed countries had become increasingly rich and the developing countries increasingly poor, he said that without a solution to the South-North issue, there would be obstacles to the rehabilitation and development of the world economy. China stood for dialogue between the South and the North and cooperation among the Third World countries ("South-South" cooperation), Deng said. Cooperation among the Third World countries could solve many issues and had very good prospects, and the developed countries should see clearly that their own economies could not develop significantly without the growth of those of Third World countries. Deng Xiaoping said China belonged to the Third World and shared its fortunes. Even a prosperous China would forever belong to the Third World and never seek hegemonism or bully other countries.

Deng went on to brief the president on the development and prospects of China's economic situation.

Figueiredo said that his country shared similar positions with China in many respects. Brazil upheld peace and would seek peaceful channels to solve all questions, fighting resolutely against foreign aggression. Only by promoting South-South cooperation could the developed countries accept South-North dialogue, he said.

Present were Brazilian Foreign Minister Ramiro Saraiva Guerreiro, Minister of Mines and Energy Cesar Cals de Oliveira Filho and Brazilian Ambassador to China Italo Zappa. Also present were Wu Xueqian, Chinese state councillor and foreign minister; Gao Yangwen, minister of coal industry; Han Xu, vice-minister of foreign affairs; Zhu Qizhen, assistant foreign minister; and Xu Zhongfu, Chinese ambassador to Brazil.

#### Parliamentarians Meet

OW281140 Beijing XINHUA in English 1102 GMT 28 May 84

[Text] Beijing, May 28 (XINHUA) -- Liao Hansheng, vice chairman of the National People's Congress Standing Committee, this morning met with Brazilian Senator Marcondes Iran Benevides Gadelha, Deputy Diogo Nomura and Municipal MP Celso Matsuda.

Liao Hansheng briefed the guests on the function of the National People's Congress.

Hosts and guests had a conversation on the work of the parliaments of the two countries.

Fu Hao, vice chairman of the Foreign Affairs Committee of the NPC, was present.

This morning, Zheng Tuobin, Chinese vice minister of foreign economic relations and trade, held talks with Cesar Cals de Oliveira, Brazilian minister of mines and energy, and Antonio Delfim Netto, minister of Planning Secretariat of the presidency. They discussed prospects for the expansion of economic, trade, scientific and technological cooperation between the two countries.

#### Foreign Ministers Talk

OW290828 Beijing XINHUA in English 0907 GMT 29 May 84

[Text] Beijing, May 29 (XINHUA) -- Wu Xueqian, Chinese state councillor and foreign minister, and Brazilian Foreign Minister Ramiro Saraiva Guerreiro this morning exchanged views on the situations in Latin America and Asia.

Guerreiro said the Central American question was the only acute question in Latin America, adding that his country was much more concerned over it.

He said that Brazil supported the Contadora Group's principles for settling the disputes among the Central American countries and its efforts to ease the situation in Central America.

The Brazilian foreign minister said that his country held that the Central American question could be finally solved only by upholding the principles of self-determination and non-interference.

On the economic situation in Latin America, Guerreiro said that the declaration of Quito of January 1984 and the joint statement issued this month by the Argentine, Brazilian, Columbian and Mexican presidents were of great political significance and would help promote South-North dialogue.

Noting that the turbulent and tense situation in Central America had aroused wide concern in the international community, Wu Xueqian said that the Central American issue had profound social and economic reasons and that the meddling and interference of the superpowers had aggravated the tense situation in the region. China, said Wu, had always held that the internal questions of any country in Central America should be settled by its own people without interference by any foreign power. Just and reasonable solutions should be sought to disputes among the Central American countries through peaceful negotiations without resort to force. He voiced Chinese Government's support for the proposals of the Latin American countries to establish a new international economic order and actively promote South-North dialogue. Wu Xueqian also gave an account of the situation in the Asian region and the position of the Chinese Government.

#### Nuclear Pact Prepared

PY190050 Rio de Janeiro JORNAL DO BRASIL in Portuguese 18 May 84 p 13

[Text] Brasilia -- Itamaraty announced last night the "satisfactory conclusion" of negotiations with the PRC for signing a memorandum of understanding on nuclear cooperation during the visit of President Figueiredo to Beijing next week. Itamaraty's spokesman Bernardo Pericas explained that the memorandum will serve as the basis for a nuclear agreement to be signed between Brazil and the PRC "in the not remote future."

The negotiations held in Beijing about the memorandum were conducted by Foreign Minister Saraiva Guerreiro's main adviser on economic affairs Roberto Abdenur, and by Wu Heng of the State Science and Technology Commission. The negotiations lasted all week and ended yesterday.

After signing nuclear cooperation agreements with the FRG, and with the United States lately, the PRC will accept Brazil as its first partner among developing countries in the nuclear area. According to information transmitted to Brasilia by Abdenur yesterday, the memorandum establishes an initial program of cooperation that will constitute the framework for an agreement in the future. The program has exclusively peaceful objectives in the following area: 1) basic research on peaceful uses of nuclear energy; 2) uranium technology, research, prospecting, and processing; 3) reactor research, project planning, construction and operation; 4) fuel elements manufacture; 5) use of radioisotopes; and 6) installation safety.

Although the PRC has already exploded nuclear bombs using technology acquired in joint programs with the Soviet Union, the PRC, like Brazil, is opposed to the non-proliferation treaty, considering it discriminatory against poor countries.

The nuclear cooperation agreement with the PRC will be the 16th such an agreement for Brazil. Before, similar agreements were signed with the FRG (the basis for the Brazilian nuclear program), Argentina, United States, Bolivia, Chile, Colombia, Venezuela, Ecuador, Iraq, Israel (a convention), Italy, Paraguay, Portugal, and the European Atomic Community (Euratom).

#### GUANGMING RIBAO ON CENTRAL AMERICAN SITUATION

HK180913 Beijing GUANGMING RIBAO in Chinese 9 May 84 p 4

[ "International Observation" column by Tang Tianri: "Two Kinds of Trends in the Developing Situation in Central America" ]

[Text] Central America is one of the "hot spots" in the world. This region is situated at a dangerous crossroad: on the one hand, the interference of foreign forces will cause the danger of expanding and intensifying the regional conflicts in Central America; on the other hand, the peace forces represented by the Contadora Group are stepping up mediation and are seeking a peaceful solution to the conflicts in Central America. The two sides are engaged in an intense trial of strength.

The United States has always regarded Central America as its "backyard" of great strategic importance. The Central American region holds an important geographic position. It faces the Atlantic on the east and the Pacific on the west. The Panama Canal and the Caribbean Sea are important passages that link the two oceans. Two-thirds of U.S. imports and nearly half the oil imported by the United States have to be transported through this region. In the past all of the governments of the five Central American countries (Costa Rica, Honduras, Nicaragua, El Salvador, and Guatemala) were pro-U.S. autocratic regimes. This homogeneous situation was changed by the Nicaraguan revolution which finally toppled Somoza's autocratic rule in 1979. Since then, the Soviet Union and Cuba have gradually expanded their influence in Central America. In particular, the guerrilla forces in El Salvador have grown stronger. The United States is deeply worried about this development and fears that a "domino" situation will appear in Central America.

In order to prevent the appearance of such a situation, the U.S. Government first dealt with the situation in El Salvador. It continued to increase military aid to the Salvadoran Government, from \$85 million in 1981 to \$136 million in 1983, and help the Salvadoran Government suppress the guerrillas. Later the U.S. Government held that although the trouble occurred in El Salvador, the real "root of the trouble" lay in Nicaragua.

If this "scourge" is not eliminated, Central American countries will fall one after another and the situation will develop to an irretrievable degree. So, the U.S. Government has emphasized that "only by taking a tough approach to Nicaragua can the best way be found to check the Soviet Union's attempt to work its way into Central America through Cuba and disturb the balance of strength in this region." According to this strategic guideline, the United States has gradually shifted the focus of its Central American policy from El Salvador to Nicaragua.

Since last year, the United States has brought greater military pressure to bear on Nicaragua while continuing to isolate Nicaragua in the diplomatic field and impose an embargo on it in the economic field. Its concrete measures are: supporting and financing the anti-government armed forces in Nicaragua, especially the residual armed forces of the Somoza regime which are now based on Honduras' territory; encouraging them to carry out continuous military harassment against Nicaragua; dispatching large numbers of warships and troops to carry out large-scale military maneuvers in waters around Nicaragua and on nearby Honduras' territory in order to make a show of force against Nicaragua; and planning to restore the activities of the Central American defense committee and to make preparations for a joint offensive against Nicaragua with other Central American countries. In particular, since last March, the United States has taken part in laying mines around Nicaraguan harbors while continuing to support the Nicaraguan anti-government armed forces in unprecedentedly mounting large-scale military attacks on the Nicaraguan Government. This move by the United States has seriously endangered the peace in Central America and the security of international voyages. According to reports, since the United States began this move, more than 10 ships have struck mines. These ships included Western and Soviet oil tankers. Facts have shown that the gradual escalation of U.S. military interference in Nicaragua has made the situation in Central America more dangerous as the regional conflicts continue to expand.

The ever-increasing deterioration of the Central American situation has deeply upset Latin American countries. In January last year, the foreign ministers of four Latin American countries, namely, Mexico, Venezuela, Colombia, and Panama, held a meeting on the Contadora Island of Panama and presented the principle of "opposing direct and indirect foreign intervention in Central American conflicts" and upholding self-determination and noninterference. They proposed that disputes be settled through negotiations and dialogues between relevant parties. Since then, these four countries have been known as the Contadora Group.

In order to realize their common objective, the four countries of the Contadora Group have held five foreign ministers' conferences and one summit meeting. The summit meeting issued the "Cancun Declaration on Central American Peace" and sent letters to leaders of the United States, Cuba, and Central American countries, calling on them to make joint efforts for the peaceful settlement of the Central American issue. These meetings also paved the way for joint conferences between the foreign ministers of the four Contadora countries and their counterparts from the five Central American countries.

From late April last year to early May this year, the foreign ministers of the four countries of the Contadora Group have held six joint conferences with foreign ministers of the five Central American countries. Although the first two conferences did not reach any concrete solution, parties involved in long-standing conflicts agreed to continue this kind of meeting and to solve the disputes through dialogue. At the third conference, the five Central American countries accepted the "Cancun Declaration" issued by leaders of the four countries of the Contadora Group.

The fourth conference led to the conclusion of a unanimously agreed "Document of Intent" for the realization of peace and stability in Central America. The fifth conference adopted the "Guiding Principles for Fulfilling Duties Specified by the Document of Intent." Recently, because the Central American situation has once again worsened, the foreign ministers of the four Contadora countries held an urgent meeting on 8 April and held the sixth joint conference with foreign ministers of the five Central American countries from 30 April to 1 May. At this conference, the nine governments expressed their determination to "accelerate their efforts to check the expansion of conflicts (in Central America)" and continue to "facilitate dialogue and negotiations." The achievements made by the Contadora Group in seeking peace have shed a gleam of hope on the dismal situation in Central America.

At present, both war factions and peace factions are increasing in Central America. What will be the results of the trial of strength between these two sides? It is still too early to say. The United States is trying to topple the Sandinista regime in Nicaragua in order to carry out its established strategic plan for stamping out the national democratic movements in Central America. However, Washington has not finally decided whether to carry out direct military interference in Nicaragua as it did in Grenada. Nicaragua covers an area 430 times as large as that of Grenada and has a population 29 times greater than Grenada's. If the United States dispatches its troops to invade such a country in which nearly all people are soldiers, it will have to throw a large number of troops into the battle and fight a prolonged war. Washington cannot but take seriously the consequence of being bogged down in the mire of Central America and must also take into account the factor of the coming presidential election. At the same time, after making great efforts to seek peace and conducting mediation over the past year, the Contadora Group has won wide support from all peoples in the world and has continued to make new achievements. However, the Central American issue is extremely complicated. Internal and external reasons for various conflicts still exist. All relevant countries have their own calculations in light of their respective interests. Therefore, it is hard to settle the Central American issue in the near future. The process of the settlement will be full of twist and turns.

#### HUANG HUA MEETS WITH PERUVIAN VISITORS

OW231244 Beijing XINHUA in English 1237 GMT 23 May 84

[Text] Beijing, May 23 (XINHUA) -- Huang Hua, vice chairman of the Standing Committee of the National People's Congress, met and had a cordial conversation here this afternoon with Manuel Jesus Orbegozo, former president of the Peru-China Cultural Institute, and Mrs Orbegozo. Orbegozo is also chief editor of the Sunday supplement of EL COMERCIO.

FURTHER COVERAGE OF SECOND SESSION OF SIXTH NPC

## Presidium Holds Third Meeting

OW290719 Beijing XINHUA in English 0651 GMT 29 May 84

[Text] Beijing, May 29 (XINHUA) -- The Presidium of the Second Session of the Sixth National People's Congress today endorsed the draft law on regional autonomy for minority nationalities and the draft revised military service law. It also approved the reports on examination of the two drafts and decided to submit the four documents to the congress for adoption. The Presidium held its third meeting this morning under the chairmanship of Chen Pixian. Also endorsed at the meeting was the draft resolutions on the work reports submitted by the NPC Standing Committee, the Supreme People's Court and the Supreme People's Procuratorate, the draft decision on the establishment of the Hainan Administrative Region, and the nomination of an official candidate to membership of the NPC Standing Committee.

Zhang Youyu, vice-chairman of the NPC Law Committee, made a report at the meeting on the examination of the draft law on regional autonomy for minority nationalities. He said the NPC deputies agreed that the draft law, proceeding from the principles laid down in the Constitution, correctly defines the relations between the national autonomous areas and the state and the relations among the various nationalities in the national autonomous areas. It safeguards the principle of equality and unity of various nationalities and guarantees the democratic rights of the minority nationalities to run their own affairs. The concrete provisions of the draft law for accelerating economic and cultural development in the national autonomous areas and training large numbers of cadres and professionals among minority nationalities, Zhang noted, accord with the fundamental interests of these nationalities and reflect the common desire of all nationalities in China.

Zhang Youyu said that the deputies have put forward a number of suggestions for revising the draft in the course of deliberation. The Law Committee met three times to study the draft law article by article. While endorsing the draft, he said, the committee also advanced ten proposals for revising some of the articles.

Xiang Chunyi, another vice-chairman of the NPC Law Committee, made a report on the examination of the draft revised military service law. He said the deputies hold that the draft, which has summed up the country's experience in military service over the years, is of great significance for further improving China's military service system, stepping up the building of the armed forces and defending the socialist motherland. They have also suggested a number of revisions. The Law Committee met twice to deliberate the revised draft, endorsed it and proposed revisions of five specific provisions, Xiang added.

Wang Hanbin, deputy secretary-general of the session, reported at the meeting on the handling of the motions. He said that by 18:00 hours [1000 GMT] on May 22 the congress had received 30 motions submitted by different delegations and 84 motions submitted by groups of more than 30 deputies. Thirty-four of the motions involve political and legal affairs, 49 have to do with financial and economic matters, and 31 are in the educational, scientific, cultural and medical fields. These motions, he noted, contain significant views on China's effort to develop its socialist legal system, political power, economic construction, and educational, scientific, cultural and health undertakings.

After consulting the special committees, Wang said, the Secretariat proposed that 44 motions be referred to the relevant special committees for deliberation and suggestions as to whether they should be placed on the agenda of the NPC or its Standing Committee. These suggestions are to be determined by the NPC Standing Committee. The other 70 motions, he went on, are criticisms, proposals and comments on work in various fields. They will be handled in accordance with the provisions of the organic law of the National People's Congress. In other words, the General Office of the NPC Standing Committee will forward these motions to the relevant departments for study and reply, he said.

Wang Hanbin added that the Secretariat had also received 2,248 pieces of suggestions, criticism and opinion from the deputies by May 28. These were sorted out by the General Office of the NPC Standing Committee and the General Office of the State Council.

A meeting involving responsible people from relevant departments will soon be convened to discuss ways to handle them, Wang said. The proposed solutions will be forwarded to units concerned to provide answers to the deputies.

#### Session To End 31 May

OW291334 Beijing Domestic Service in Mandarin 1200 GMT 29 May 84

[Excerpts] According to a station report, the Presidium of the Second Session of the Sixth NPC held its third meeting in the Great Hall of the People this morning. The meeting was presided over by Chen Pixian, vice chairman of the NPC Standing Committee. The Presidium meeting decided that the Second Session of the Sixth NPC be closed on 31 May.

#### Further on Presidium Meeting

OW291303 Beijing XINHUA Domestic Service in Chinese 0915 GMT 29 May 84

[Text] Beijing, 29 May (XINHUA) -- The Presidium of the Second Session of the Sixth NPC held its third meeting this morning in the Great Hall of the People and endorsed the various draft laws and resolutions that will be submitted to the congress for adoption. The meeting was presided over by Standing Committee Vice Chairman Chen Pixian.

Zhang Youyu and Xiang Chunyi, vice chairmen of the NPC Law Committee, delivered on behalf of the Law Committee their respective reports on the examination of the draft of the law on regional autonomy for minority nationalities and on the examination of the revised draft of the military service law. They also made their respective explanations on a number of issues concerning the draft of the law on regional autonomy for minority nationalities and the revised draft of the military service law.

Seypidin, Banqen Erdini Qoigyi Gyancan, Deyal Khulmash, Zhang Youyu, and Ulanhu as well as Wang Enmao, who attended the meeting as an observer, delivered speeches and expressed their views on a number of specific issues with regard to the draft law on regional autonomy for minority nationalities. Liao Hansheng, Han Xianchu, Wang Renzhong, Huang Hua, Yang Dezhi, Ye Fei, Liu Zheng, Zhang Youyu, Wang Hanbin, Yang Yongqing, He Ying, Wu Shichang, and Ma Bi as well as Tie Ying, who attended the meeting as an observer, delivered speeches and expressed their views on a number of specific issues with regard to the revised draft of the military service law. The meeting endorsed the report on the results of the two examinations and the two draft laws, after making some revisions, and submitted them to the congress for its examination and adoption.

The meeting endorsed the draft resolution on the work report of the NPC Standing Committee, the draft resolution on the work report of the Supreme People's Court, the draft resolution on the work report of the Supreme People's Procuratorate, and the draft resolution on the establishment of the Hainan Administrative District People's Government. It decided to print these four draft resolutions, distribute them among various groups of deputies for further discussion, and submit them to the congress for examination and adoption. After deliberations and consultations, the namelist of candidates for additional membership in the NPC Standing Committee, put forward by the Second Session of the Presidium, was endorsed by various groups of deputies. The Presidium meeting today regarded those whose names appeared on the list as official candidates and submitted their candidacy to the congress for election.

Wang Hanbin, deputy secretary general of the Second Session of the Sixth NPC reported at the meeting on the handling of the motions. The meeting endorsed this report and decided that the proposals, criticisms, and views as well as the motions put forward by various deputies during this NPC session be handled on the basis of the Secretariat's opinions.

#### Military Law Revisions

OW291455 Beijing XINHUA Domestic Service in Chinese 1927 GMT 29 May 84

[Text] Beijing, 29 May (XINHUA) -- In his report to the Presidium of the Second Session of the Sixth NPC today on the outcome of the deliberation on the revised draft of the military service law by the NPC's Law Committee, Xiang Chunyi, vice chairman of the Law Committee, said: The deputies deliberating the revised draft of the military service law noted that this draft law, which sums up China's many years of experience in military service, is important to further perfecting China's military service system, strengthening the buildup of the armed forces, and defending the socialist motherland.

Xiang Chunyi said: The deputies also suggested amendments to this revised draft. After holding two meetings to deliberate the revised draft, the Law Committee basically agreed to the draft, while offering the following amendments to a few specific issues:

I. Article 16 of the revised draft stipulates: "Draftable citizens in detention and in the process of being investigated, prosecuted, and tried, or of being sentenced to imprisonment, forced labor under detention, and surveillance, shall not be drafted." The wording was not clear enough. Therefore, this article has been revised to read: "Draftable citizens in detention who are being investigated, prosecuted, and tried, or who have been sentenced to imprisonment, forced labor under detention, and surveillance and who are serving their terms shall not be drafted."

2. Regarding Article 20 of the revised draft concerning soldiers' discharge from active duty, some deputies suggested adding a stipulation to the effect that the individuals concerned should be given approval to be discharged from active duty if they are not suitable for active duty or if they have special difficulties resulting from lack of labor at home. Therefore, this article has been revised to read: "Soldiers who have completed their terms of military service should be discharged from active duty. If the discharge from active duty is necessitated by a reduction in troop size, if an army hospital has diagnosed that the health of the individual concerned is not suitable for continued military service, or if the individual concerned needs to be discharged for other special reasons, such a discharge may occur ahead of time provided approval has been obtained from organs at and above the divisional level."

3. Some deputies said: The stipulation in Article 53 of the revised draft which reads " ... those who cannot have jobs arranged for them should be paid disability allowances as prescribed so as to safeguard their livelihood" is inappropriate, because disability allowances must be paid all the same, whether jobs can be arranged or not. It is just that those who cannot have jobs arranged for them will receive more in allowances. Therefore, this provision has been revised to read: "... those who cannot have jobs arranged for them should be paid more in disability allowances, as prescribed, in order to safeguard their livelihood."

4. Some deputies said: For those who refuse or dodge military service, Article 61 of the revised draft only stipulates that basic level people's governments should order them to fulfill their obligations. This is not forceful enough. The deputies suggested that coercion be used instead. Therefore, the passage in this article "basic level people's governments should order them to fulfill their obligation of military service, whereas work units and grassroots organizations should ensure the enforcement" has been revised to read: "basic level people's governments should coerce them into fulfilling the obligation of military service." The stipulation "work units and grassroots organizations should ensure the enforcement" has been deleted.

He said: The revised edition of the "PRC Military Service Law (Revised Draft)" has been amended in line with the above opinions. It is suggested that the Presidium submit it to the congress for deliberation and approval.

#### Comments on Military Law

OW281321 Beijing XINHUA Domestic Service in Chinese 0929 GMT 27 May 84

[Excerpts] Beijing, 27 May (XINHUA) -- In the course of deliberating the revised draft of the military service law stipulates only the draftees' age and physical requirements. It contains no clear and definite stipulations on the draftees' political, ideological, and cultural quality. In past conscription, the recruits' political, ideological, and cultural quality was once overlooked. As a result, some unqualified persons joined the armed forces, adversely effecting the quality of active duty service personnel and the PLA combat effectiveness.

Beijing deputies Ni Zhifu and Bai Jiefu pointed out: After adoption of the military service law, there should be relevant and concrete policies and measures for its implementation. At present, Beijing has to settle over 10,000 discharged service personnel every year. It is difficult to settle them because of their poor educational background and lack of specialities. We may require the localities to run various technical schools for discharged service personnel. The schools should allow older PLA veterans to attend and should offer short courses. We may also consider the practice of some other countries that give 6 months vocational training to armed forces personnel before their discharge.

#### RENMIN RIBAO on Military Law

HK290819 Beijing RENMIN RIBAO in Chinese 25 May 84 p 3

[Report by reporters Zeng Xiangping and Di Qiyun: "Liao Hansheng on New Military Service Law"]

[Text] In an interview with reporters on 23 May, Liao Hansheng, vice chairman of the NPC Standing Committee stressed that the formulation of the new military service law is a matter of importance in the modernization of our national defense, and in the building of the socialist legal system.

To do a good job in implementing the military service law is the common task of the people of the entire country and the commanders and fighters of the entire Army.

Liao Hansheng said: The new military service law is formulated on the basis of the stipulations of the Constitution, and the present situation at home and abroad. Concerning the Army itself, great changes have taken place both in its equipment and personnel structure over the past 30 and more years. Therefore, it is entirely necessary to revise the 1955 military service law. The draft of the new military service law stipulates: The implementation of a military service law which links the obligatory military service system in the main with the volunteer system in our country will be helpful to maintaining the combat effectiveness of the Army; the combination of active service with reserve service will be helpful in maintaining an army in peacetime, while providing more soldiers in time of war; and the combination of the militia system with the reserve service system will be helpful in enhancing the building of reserve service forces. The formulation and implementation of the new military service law are of great significance to building a revolutionized, regular, and modernized army, and to safeguarding the security of the motherland and the integrity of our territory. The Army should become a model in implementing the new military service law. It is necessary for the Army to take the lead in doing a good job in publicity work, to implement the military service law by linking it with practical work, and to genuinely practice abiding by the law where there is a law, being strict in implementing the law, and correcting those who have violated the law.

"The military service law involves the interests of every citizen," Liao Hansheng said. "There is much for local governments at all levels to do in implementing the military service law. First, it is necessary to engage in publicizing the law in a big way, so that every citizen may know his own duty and obligation, enhance his sense of the legal system, and cultivate the habit of acting according to the law."

In conclusion, he said, our people are a highly conscientious people, and our Army is a highly conscientious army. Excellent traditions have been formed in building the Army, in army-people and army-government relations, in performing military service duty on the part of the citizens, in militia work, and in giving special care to disabled servicemen and to family members of revolutionary martyrs and servicemen. To implement and exercise the new military service law, it is imperative to carry forward these excellent traditions. The publication of the new military service law is an important reform in the military system of our country; therefore, whether it is the army or the people, it is necessary for them to attach attention to studying new conditions and new problems in implementing the military service law and to solve them with practical and feasible measures and methods.

#### WAN LI ADDRESSES FORUM ON URBAN ECONOMIC REFORM

0W290937 Beijing XINHUA in English 0759 GMT 29 May 84

[Text] Beijing, May 29 (XINHUA) -- No regime, no matter what party leads it or what doctrine it follows, can have the support of the people if it fails to develop the economy, improve their livelihood and ensure them full democracy. This was stated by Chinese Vice-Premier Wan Li at a forum on urban reforms here yesterday.

He said that the excellent situation in all fields demands urgent reforms in the cities which has figured as a central issue at the current National People's Congress session. Bringing the initiative of city dwellers into full play is the key to success in restructuring the urban economy in China, Vice-Premier Wan Li said.

He said the reforms are bound to fail if able people are not used to their best advantage and if hard-working people are not rewarded and lazy people not punished. Called by the State Council, the forum was attended by mayors and city Communist Party secretaries who are attending the current National People's Congress session here. Present were also Hu Qili, a member of the secretariat of the CPC Central Committee, and vice-premier Tian Jiyun.

Several participants spoke on the subject and described the experience their localities have acquired in urban reforms.

Wang Qian, party secretary of Chongqing, a big city in Sichuan Province where the reforms started one and a half years ago, said they cover expanding the decision-making power of enterprises, streamlining circulation channels and restructuring the managerial systems of the building industry. Urban reforms, he said, require the combining of production with supply and marketing. The planning system must be reformed and state plans must not try to cover everything and run into great details. Administrative and managerial organs must be separated and government departments should keep their hands off the enterprises, Wang Qian said. Directors or managers of enterprises should be given power to employ the kind of people they want, the Chongqing party secretary said. This is the key issue in expanding the decision-making power of the enterprises, he added.

Wang's view was shared by the mayor of Taiyuan, Wang Maolin, who said that managers of enterprises in his city still do not have the power of appointing medium-level executives. He also complained that local enterprises sometimes find themselves in a difficult position for lack of the power to decide on matters concerning production, supply and marketing.

Talking about obstacles to urban reforms, Mayor of Wuhan Wu Guanzheng said some people are still fettered by egalitarian thinking. They cling to old rules and regulations that no longer fit in with the new situation and are prone to handle economic affairs by administrative decrees, Wu said.

While concurring with Wu Guanzheng, Wan Li said that those used to the practice of eating from "the big pot" are lazy and incapable people who accomplish nothing. "Their only concern is to stay in position. Our country does not need such cadres. They should be dismissed from office," he added.

Yu Fei, mayor of Foshan in Guangdong Province, predicted that the industrial and agricultural output value of his city next year will double that of 1980 as a result of the economic reforms and introduction of advanced technology and equipment from abroad.

Wan Li encouraged cadres in Guangdong to press ahead with local economic development while reminding them of the need to help other places to get prosperous as well.

Chu Zhuang, vice-mayor of Shijiazhuang in Hebei Province, said that cultural and educational reforms should keep pace with the economic reforms. He urged introduction of the responsibility system in educational and cultural institutions and mobilization of the initiative of all quarters. "We cannot depend solely on the state for rapid cultural and educational development," he said.

Wan Li pointed out that the city should serve as a political, economic and cultural center exercising leadership over the surrounding rural areas. If the urban economic reforms fail to keep in step with the rural economic reforms, the vice-premier said, the latter could not possibly be a complete success. He called on all departments under the State Council to support the reforms and urged the mayors and city party secretaries to be promoters of the reforms.

#### Further Report

OW291309 Beijing XINHUA in English 1219 GMT 29 May 84

[Text] Beijing, May 29 (XINHUA) -- Further progress in China's rural reforms would be impossible without restructuring the urban economic set-up, Vice-Premier Wan Li said here today. The vice-premier made the remarks at a discussion with National People's Congress deputies from China's economically developed areas. It was called by the Rural Policy Research Office of the Secretariat of the Communist Party Central Committee in the Great Hall of the People.

While the rural reforms which started several years ago should be carried to greater depths, Wan Li said, efforts should now be concentrated on the restructuring of China's urban economic set-up. It is essential to resolve not only problems involving relations in the rural areas but also those involving relations between town and country. Fast development of the urban reforms will in turn pose new problems for the country's rural reforms, Wan Li said.

The reforms have enabled China's rural economy to begin large-scale commodity production, Wan Li said, adding that this is the most important indication of the country's growing prosperity as well as the superiority of its socialist system.

Policies, rules and regulations introduced in the past when there was a shortage of goods worked well and pleased everyone by distributing things equally but they no longer work now that there is an abundance of goods. The old policies, rules and regulations, however, should not be treated indiscriminately, Vice-Premier Wan Li said. Some will be discarded, some need to be drastically or moderately improved, and some will continue to be valid.

Now, urban and rural reforms should go ahead simultaneously, Wan Li said. Counties which are very important units should have greater decision-making power but should avoid giving blind instructions to various departments, he added.

A basic principle of Marxism is that the superstructure should serve the economic base and help expand the productive forces, he said. China must earnestly follow this principle in the urban reforms, he added. Wan Li said that efforts must be made to avoid big blunders though small ones may be unavoidable. Big blunders will not occur so long as new developments are studied, new experiences summed up and new problems solved in good time, the vice-premier said.

#### XINHUA INTERVIEWS TIAN JIYUN ON TAXATION SYSTEM

OW291345 Beijing XINHUA in English 1318 GMT 29 May 84

[Text] Beijing, May 29 (XINHUA) -- Vice-Premier Tian Jiyun described the nationwide shift from profit quota to tax as a major breakthrough that would produce a great impact on China's economic development. The shift, announced in Premier Zhao Ziyang's report to the current National People's Congress session, is due to come into force in the last quarter of 1984. Vice-Premier Tian elaborated its significance in an interview with XINHUA.

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Under the existing profit-delivering system, every state enterprise is governed by an administrative bureau which in turn delivers profits to the state. The new tax system, the vice-premier said, is aimed at turning the industrial and other enterprises into relatively independent economic entities free from unnecessary administrative interference. They pay tax directly to the central government and local government.

Experiments on a shift from profit quota to tax were carried out in several hundred enterprises last year with satisfactory results, he said. This was termed the first stage of the reform. The forthcoming nationwide shift will be the second stage.

By the end of 1983, Vice-Premier Tian said, enterprises paying tax reported a nine percent increase over the previous year in total output value and profits went up 10.9 percent from the previous year. The reform also helped increase state revenue, he said. An increase of 21 percent was registered in the first four months of this year over the same period of last.

During the second stage of the reform, he said, enterprises will have greater independence and decision-making powers. The second-stage reform program will include readjustment of tax rates for different products to help reduce sharp differences in profits due to price factors. This will enable factories under similar conditions to compete with one another, he said.

New taxes will be added in the second stage, he said. They will include product tax and resources tax. The real estate tax and land-use tax will be re-instituted.

In the second-stage reform, steps will be taken to ensure that most of the increased profits will be retained by the enterprises, he added. This means that in enterprises with more efficient management, workers will be able to receive more earnings. The vice-premier said that the shift to the tax system will provide a guarantee for increased state revenue and funds for key capital construction projects. It will help accelerate the pace of China's modernization.

#### NPC DEPUTY INTERVIEWED ON SPECIAL ECONOMIC ZONES

HK261034 Beijing ZHONGGUO XINWEN SHE in Chinese 0857 GMT 25 May 84

[Report by Liu Huarui: "Wu Jianmin Puts Forth Nine Views on Further Developing the Building of Special Economic Zones" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 25 May (ZHONGGUO XINWEN SHE) -- During an interview by reporters, Wu Jianmin, former secretary of the CPC Committee and mayor of Zhuhai City, now member of the Guangdong Provincial Advisory Committee and NPC deputy, put forth nine [as heard] views on further developing the building of special economic zones:

-- Special economic zones must have complete information about the international market and should set up offices in Hong Kong and other places in order to obtain full knowledge about market quotations and provide information.

-- They must adopt the method of free foreign exchange and relax control over foreign exchange while issuing currency of the special economic zones.

-- They must boldly absorb foreign capital and should allow foreign banks to set up branches or offices there.

-- They must make great efforts to develop tourism and further simplify entry and exit formalities and inspection procedures. In addition to doing a good job in building scenic spots they must provide good restaurants, hotels, transportation facilities, entertainment, and shopping centers and they must provide good services in various aspects.

-- They must gradually shift their industries from a labor-intensive type to a technology-intensive type and make reasonable arrangements in the process. They should train more managers and workers of certain professional level and pay great attention to the protection of the environment while running industry.

-- Special economic zones should be run in a comprehensive manner and should not be turned into zones for processing industries alone. Special economic zones should appropriately cover a wider scope and should endeavor to have a comprehensive development in industry, agriculture, animal husbandry, fishery, commerce, tourism, housing, and scientific research.

-- Special economic zones must strengthen work for maintaining social order and should strive to ensure the best social order and safety in production. They must establish good ethical practices of the society in general.

-- Special economic zones must be built into beautiful cities with many trees and parks. They should have both national characteristics and local characteristics and should not be stereotyped.

#### NPC DEPUTY OUTLINES GUANGZHOU DEVELOPMENT PLAN

OW281429 Beijing XINHUA in English 1419 GMT 28 May 84

[Text] Beijing, May 28 (XINHUA) -- Xu Shijie, Guangzhou City party secretary, this afternoon disclosed to the press several projects Guangzhou City is to start soon. Among those attending a press conference to hear this National People's Congress deputy were Beijing-based foreign correspondents and those from Hong Kong and Macao. Describing the Guangzhou economic development zone, Xu Shijie said it is sited on the eastern rim of the Huangpu District, at the confluence of the Pearl River and a tributary of the Beijiang River. It is 35 kilometers from the heart of the city and will eventually cover an area of 37 square kilometers.

Construction of the zone will be undertaken in three stages, he said. The first stage, focusing on the infrastructure, will require an investment of 300 to 400 million yuan. He said that the city authorities have already advised the offices of ten foreign banks in Guangzhou of its plan about the development zone. Consultations are still going on as to what form of cooperation will be adopted.

Xu Shijie further said that the electrification of the Guangzhou-Shenzhen railway is being planned. The project requires an investment of 400 million yuan and foreign cooperation will be needed, he added.

He also disclosed that the project of an expressway linking Shenzhen with Guangzhou has been approved by the state. Mr Gordon Wu, chairman of Hopewell Holdings Ltd. Hong Kong, will invest in the project.

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Guangzhou planned to build a new estate in the suburbs to accommodate 100,000 people. The estate will occupy an area of some 70 hectares, Xu said. Guangzhou attracted a total of 440 million U.S. dollars in foreign funds between 1979 and 1983. Several dozen Sino-foreign joint ventures have been started in this south China city.

ECONOMIST DISCUSSES NATURE OF ECONOMIC REFORMS

OW281002 Beijing XINHUA in English 0932 GMT 28 May 84

[Text] Beijing, May 28 (XINHUA) -- Economist Qian Jiaju today stressed that China's economy remains socialist in nature despite the various reforms it is now undergoing. Qian Jiaju, 75, is a member of the National Committee of the Chinese People's Political Consultative Conference. He had a candid discussion with a group of Beijing-based Japanese journalists on what road China is following. Qian Jiaju said that China is learning from advanced managerial experience of other countries. The government is extending the decision-making power of enterprises while introducing a system of enterprise directors and managers assuming full responsibility. A number of joint ventures using Chinese and foreign investment and those established exclusively with foreign investment have been set up in China. For all this, the economist said, the overwhelming majority of the enterprises remain in the hands of the state, which protects the legitimate rights and interests of the workers. Therefore, he said, China's economy is still socialist in nature and China is still following the socialist road.

Asked why it is necessary for China to learn experience from capitalist countries, the economist said that China needs to assimilate advanced managerial methods and technologies from other countries, including capitalist countries, in the course of socialist modernization.

Qian Jiaju who had made three tours of the four special economic zones in the past year, said that these are economic and not political zones. Moreover, there are enterprises with foreign investment as well as state-owned and collectively-owned enterprises which are growing rapidly too. In China's rural areas, he went on, the state encourages part of the peasantry to become well off before others. This is categorically different from polarization under capitalism, he stressed. Chinese peasants are getting better off through their own labor within the framework of the government policies, and the ultimate goal is to improve the well-being of all the peasants, he added. The economist also expected the Chinese Government to reform the price structure, which, he said, is of tremendous significance for effecting a fundamental turn for the better in China's financial conditions.

STATE COUNCIL CIRCULAR ON FINANCIAL VIOLATIONS

OW221443 Beijing XINHUA Domestic Service in Chinese 0038 GMT 22 May 84

[Text] Beijing, 22 May (XINHUA) -- The State Council on 9 May transmitted the Ministry of Finance's "Report About the Situation of the General Financial Inspection and Intensification of Financial Discipline," and attached a circular to it urging all areas and departments to abide by the instructions in the report.

The State Council pointed out in its circular that violations of financial regulations have become very serious, and that the problem reflects an important aspect of irregularities within the party and in society that all areas and departments must attend to. The circular says: In accordance with the opinions presented by the Ministry of Finance in its report, all areas and departments must effectively and strictly enforce financial regulations in connection with their actual circumstances. All violations of financial regulations must be strictly dealt with according to the law of our country.

According to the report prepared by the Ministry of Finance, great successes have been achieved during the financial inspection throughout the country since October last year. These successes include: First, in addition to the study of documents on party rectification, educational work on obeying law and discipline has been simultaneously carried out. Second, a large number of financial irregularities have been discovered, and the recovered funds contributed to the balancing of the state's revenues and expenditure in 1983. So far, 4.2 billion yuan of misappropriated funds have been recovered, of which 1.5 billion yuan have already been turned over to the treasury. Third, many important clues helpful for the work of striking at serious economic crimes have been found. Fourth, the experiences gained from exposing the problems in financial management and in various enterprises' financial affairs are useful for financial reform.

However, the problems concerning violations of financial regulations are very serious. The main problems fall into five categories, namely, recklessly inflating production cost and retaining profits; defrauding and evading taxes; giving out bonuses, allowances, and subsidies in kind under all sorts of pretexts; appropriating public property, violating state law, turning budgetary enterprises into extra-budgetary enterprises, turning profitable workshops of state-owned enterprises into collectively-owned enterprises, and retaining revenues meant for the state; and abusing authority to seek personal gain, and squandering state funds. For this reason, it is imperative that financial regulations be enforced even more strictly and that the current general financial inspection be a complete success.

The report says: All cases of financial irregularities that have been discovered must be handled seriously, and not one case should be left unhandled. Profits made by jointly operated businesses, profits made from producing and selling goods not produced under the state plan, and profits made from trial production -- profits that have been retained under all sorts of names -- must be turned over to the state in full. Any misappropriation of public property must be corrected and all misappropriated funds must be recovered. Cases of giving out bonuses under all sorts of pretexts must be dealt with according to different circumstances, and those bonuses should be recovered in part or in full after taking the actual situation into consideration. The cost of various high-grade goods given to staff members and workers free or at low prices must be recovered in one or several installments. Supervision over financial affairs must be more strictly enforced, and must also be regularized and institutionalized. Financial legislation must be intensified. Leading organs and leading cadres must study and understand the law. They are responsible for upholding the solemnity of the law of our state and they must by no means substitute authority for law.

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EDITORIAL SUPPORTS OPENING 14 COASTAL CITIES

HK280806 Beijing RENMIN RIBAO in Chinese 28 May 84 p 1

[Editorial: "A Major Policy Decision for Promoting the Modernization Drive"]

[Text] The CPC Central Committee and State Council recently decided to further open up to the world 14 large and medium coastal port cities, including Tianjin, Shanghai, and Dalian. This is a major strategic policy decision for bringing into greater play the superior features of the coastal areas, speeding up economic development there, and promoting the socialist modernization drive.

Since the 3d Plenary Session of the 11th CPC Central Committee, China's policy of opening to the world has gained notable results. It has played a positive role in readjusting and developing the national economy and has also had a very good international impact. However, the country's pace of drawing in foreign investment and importing advanced technology is not yet fast enough, and further development of other external economic dealings is also required. Faced with the challenge of the new technological revolution in the world, we must further emancipate our minds, absorb as quickly as possible the fruits of technology created in common by mankind, open up new fields in science and technology in China, overcome our backwardness, and speed up the attainment of the four modernizations.

Comrade Deng Xiaoping has pointed out that there is a guiding ideology in instituting the open-door policy that must be explicitly stated, and that is, we are opening up, not retracting. Further opening up the 14 coastal port cities to the world is precisely a major new step taken to this end. Economic development between the coastal areas and the interior of China will remain unbalanced for quite a long time to come. Getting right the relationship between the coastal areas and the interior and bringing into play the role of the coastal cities is a major issue in economic construction. Most of these 14 coastal port cities have relatively good communications and economic foundations, a relatively high standard of management and technology, relatively developed science, culture, and education, experience in external economic dealings and trade, and a network for carrying out economic cooperation with the interior. These favorable conditions determine that they are fully capable of advancing still faster in opening up to the world. These cities should speed up their pace in drawing in foreign investment and importing advanced technology, first focusing on the technological transformation of their existing enterprises. They should build a number of medium and small enterprises requiring little investment and a short construction cycle and producing quick results and good benefits. At the same time, they should create conditions for gradually setting up economic and technological development zones, in which they should build a relative concentration of Sino-foreign joint ventures and cooperative enterprises with advanced technology, together with enterprises funded solely by foreign businessmen. These 14 coastal cities and the 4 special economic zones now being built form a north-south line in opening up to the world. Each of them is bound to lead forward its own hinterland in finance, material, talent, and so on, and stimulate from east to west the socialist modernization drive of the whole country. The interior and the coastal areas should further support and stimulate each other.

In light of a number of successful experiences of the special zones, the state has decided to relax the policy on foreign businessmen's investment in these cities. Favored tax treatment is granted to those Sino-foreign joint and cooperative ventures that meet the needs of the country's economic development, and also to enterprises funded solely by foreign businessmen; and a portion of the products with advanced technology supplied by foreign businessmen can be sold in the domestic market.

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To better attract foreigners, it is necessary to guarantee that foreign investment stands to gain. Focusing our vision on the overall and long-term interests, we see that by so doing, we can win the time and speed we urgently need for vigorously developing our economy.

The state has also decided to expand the decisionmaking powers of these cities to ensure that they can have very great vitality for promoting external economic activities. These cities should make very good use of the jurisdiction given them by the central authorities; under the guidance of the unified state plans, they should integrate active use of foreign resources (including investment, technology, knowledge, management experience and material, and so on) with bringing into play their own superior features, integrate the launching of external economic exchanges with carrying out internal economic readjustment, consolidation, and restructuring, and give free rein to enlivening the economy. By so doing they are sure to provide a whole series of new subjects for the current reform and perfection of the economic management setup in our country. The comprehensive departments and the specialized administrative departments of the state organs should give them positive support and help these coastal cities to explore new ways of reform and create good experiences.

We must have great resolve and do our work in a careful and meticulous way in further opening up the 14 coastal port cities to the world. There can be a variety of specific forms of opening up to the world, and each can define its own point of emphasis regarding importation. The steps to be adopted should get under way on the basis of careful preparatory work. There is a strong sense of policy in launching external economic and technological activities, and the work is also rather complex. This requires that our cadres be people of wisdom with strong party spirit, good professional skills, and a very strong sense of the cause. We should be willing to spend money and work hard to build a force of crack cadres and specialists in external economic work. This is an essential precondition for further opening up to the world.

FANG YI WRITES TO FORUM ON REFORMS IN SCIENCE

HK250850 Beijing RENMIN RIBAO in Chinese 23 May 84 p 4

[Report by reporter Chen Zujia: "Fang Yi proposes 'Lifting Restrictions' on Scientific Research Units and Scientific and Technological Personnel"]

[Text] The national forum on the reform of scientific and technological systems, which lasted 7 days, concluded on 22 May.

On 21 May, although ill in bed, State Councillor Fang Yi sent the forum a letter in which he pointed out: At a time when the Second Session of the Sixth NPC is being held, we are "doing a very important thing at an opportune moment by holding a meeting to study and discuss the issue of reforming the scientific and technological systems."

He said: "In order to meet the requirements of urban and economic development and to keep pace with the reforms, on the scientific and technological fronts it is necessary to further emancipate thinking and to speed up the reforms. There are great differences between different scientific and technological spheres and between different scientific research units. It is necessary to base ourselves on the actual circumstances and not to 'impose uniformity on things.' However, all reforms should proceed in basically the same direction. That is to say, it is necessary to strengthen the integration of science and technology with the economy and to give full play to the enthusiasm and creativity of the scientific and technological personnel. It is also necessary to 'free' the scientific research units and the scientific and technological personnel 'from restrictions.' That means, it is necessary to enliven scientific and technological work."

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"Although scientific and technological work and scientific research are not totally the same as economic, industrial, or agricultural work in that they have their own characteristics and rules, it is also necessary to find a way to put an end to the practice of 'eating from the same big pot.'"

In his letter, Fang Yi said: "China's reforms have become the focus of world attention and they are important events with which the whole country is concerned. The central authorities carry out the reforms with unswerving resolution. A new situation in the reforms in all fields is expected." In his report to this session of the NPC, Comrade Ziyang fully approved the experience of Shanghai's Jiaotong University and the Zhuzhou Electronics Institute in carrying out reforms, and he asked all of us to earnestly study and conscientiously popularize the experience. It is hoped that all of us will have the courage to explore and steadily make progress. He extended warm greetings to the comrades who had been unjustly attacked and suppressed in the course of the reforms.

The comrades attending the forum studied Premier Zhao Ziyang's report to the Second Session of the Sixth NPC, became aware of the fact that the reform of the urban and rural economic systems is marching at the head of the column, and supported and encouraged the quickening of the pace of the reform of the scientific and technological systems. It is better to carry out the reforms early. If we carry out the reforms early, we can have the initiative in our own hands early; if we carry them out late, we will have the initiative in our hands late; and if we do not carry them out, we will land ourselves in a passive position. In addition to unswervingly carrying out the reforms, it is necessary to remain sober-minded and to be enthusiastic yet sober reformers.

Yang Jun, vice minister of the State Scientific and Technological Commission, made a concluding speech at the conclusion of the forum.

#### HU YAOBANG VISITS SPECIAL ECONOMIC ZONES

HK260301 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 25 May 84

[Text] CPC Central Committee General Secretary Hu Yaobang visited and inspected the Shenzhen and Zhuhai Special Economic Zones on 23 and 24 May. He was accompanied by Guangdong Provincial CPC Committee First Secretary Ren Zhongyi and Secretary Liang Lingguang. Also accompanying him were CPC Central Committee Secretariat Secretary and State Councillor Gu Mu and Central Secretariat Alternate Secretary Hao Jianxiu, who are currently in Shenzhen.

At noon on 23, May, Comrade Hu Yaobang and the others visited the Xianglihu holiday village, and Yijing Garden villa district, which are joint ventures. During his visit, Comrade Hu Yaobang said: In developing tourism, we cannot just build luxury hotels; we must also build some medium and low-grade ones. We must advocate organizing specialized households in tourism. Some of them can operate these units. Well-organized tourism will attract more domestic and foreign tourists.

On the morning of 24 May, Comrade Hu Yaobang inspected the Shekou industrial zone and the Chiwan port deep-water wharf.

In the Zhuhai Special Economic Zone, Comrade Hu Yaobang inspected the Jiuzhou port wharves, Zhuhai heliport, and the Gongbei customs. He also visited the Gongbei and Zhuhai guesthouse and Shijingshan tourism center.

Comrade Hu Yaobang stopped briefly in Zhongshan City and Shunde County on his journey. He left Guangdong in the evening at the completion of his inspection.

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NI ZHIFU ADDRESSES PARTY FOR MODEL WORKERS

OW291403 Beijing XINHUA Domestic Service in Chinese 1512 GMT 27 May 84

[Text] Beijing, 27 May (XINHUA) -- The All-China Federation of Trade Unions held a tea party this afternoon for the model workers and trade union workers attending the Second Session of the Sixth NPC and the Second Session of the Sixth CPPCC National Committee.

Ni Zhifu, president of the All-China Federation of Trade Unions, spoke at the tea party. He urged trade unions at all levels to be promoters of reform and to suggest ways and means for reform. He said that the working class surely would enhance its wisdom and talents and improve its political and cultural quality in the course of reform.

Ni Zhifu pointed out: In order to correct the malpractice of "sharing food from the same big pot" and overcome egalitarianism in the course of reform, we must necessarily reform some existing rules and regulations. We should conduct serious investigations and studies, proceed from the needs of the four modernizations, take the initiative in cooperating with the departments concerned and with enterprise leadership, and put forward suggestions and measures to retain rational rules and regulations and to reform any rule or regulation that does not suit the new situation and is detrimental to the initiative and creativity of the workers and staff members.

Ni Zhifu said: In the course of reform, we should bring into full play the role of intellectuals, go a step further in eliminating the influence of "left" thinking, seriously implement the policies concerning intellectuals, and create the necessary conditions for intellectuals to work and seek more knowledge.

Ni Zhifu called on trade unions at all levels to strengthen ideological and political work in the course of reform, and help workers and staff members correctly handle the relations among the state, the collective, and the individual. He urged the trade unions to make the broad masses of the workers and staff members understand that the reform completely conforms with immediate and long-term interests of the working class and that everyone should take an active part in reform.

Zhu Xuefan, vice chairman of the NPC Standing Committee, also spoke at the tea party. He wished all present still greater success in their work. Other speakers included NPC deputies and CPPCC National Committee members Qian Lingxi, Zhang Binggui, Al Youqin, Li Yanjie, and Lu Yongxian. They happily reviewed their experience of reform on various fronts and pledged to play the role of advanced model persons in a still better way and to take the lead in reform and in undertaking the four modernizations after returning to their localities and organizations.

Some 200 NPC deputies and CPPCC National Committee members attended the tea party. Other responsible persons of the All-China Federation of Trade Unions also attended the party.

DENG LIQUN AT PARTY FOR LITERARY NPC DEPUTIES

OW282019 Beijing XINHUA Domestic Service in Chinese 0910 GMT 27 May 84

[Text] Beijing, 27 May (XINHUA) -- The China Federation of Literary and Art Circles invited deputies and members from literary and art circles to the Second Sessions of the Sixth NPC and the Sixth CPPCC National Committee, as well as some literary and art workers from the capital, to attend a gathering, with tea, candies and cookies, at the Beijing Hotel.

Culture Minister Zhu Muzhi thanked the deputies and the members for their criticisms and suggestions made at the sessions on literary and art work. He pledged to seriously study these suggestions to improve the work of the Culture Ministry. He said: One of the important tasks facing literary and art circles from now on is to do a good job in literary and art reform in accordance with the guidelines of Premier Zhao Ziyang's reports at the NPC sessions this year and last year. It is necessary first to do away with the practice of "everyone eating from the same big pot" and, second, to expand the decisionmaking powers. At the same time, it is necessary to strive to improve the quality of literary and art work so that literature and art can better serve the undertaking of modernization.

Federation Chairman Zhou Yang said: The speeches by central leading comrades at the sessions concerning literary and art work show their encouragement and support for the literary and art workers. He expressed his sole hope that writers and artists would redouble their efforts to create better works.

Vice Chairman Seypidin read an impromptu poem he composed in Uygur language entitled "The ROC Soars to Great Heights -- Dedicated to the Second Session of the Sixth NPC," expressing the deputies' joyful spirit on the occasion.

Attending the gathering were also Deng Liqun, Wang Renzhong, Xiao Hua, Rong Gaotang, Xiong Fu, He Luding, Wu Zuoren, Yu Zhenfei, Tao Dun, Kanbarhan and some 400 people.

#### LEADERS ATTEND PARTY MARKING CHILDREN'S DAY

OW271326 Beijing XINHUA in English 1255 GMT 27 May 84

[Text] Beijing, May 27 (XINHUA) -- Some 350 teachers, artists and other workers attended a tea party here today in celebration of International Children's Day on June 1. They came from schools, kindergartens, children's palaces, art troupes, food factories, toy factories, children's stores, publishing houses, the press, hospitals and sports circles. The tea party was sponsored by the Communist Party Central Advisory Commission, the All-China Women's Federation and the Communist Youth League Central Committee.

Communist Party and state leaders Ulanhu, Chen Muhua, Deng Liqun and Hu Qili were present to extend greetings to the teachers and workers as well as children throughout the country.

Speaking at the tea party, Liu Lantao, Standing Committee member of the Central Advisory Commission, asked people from all walks of life to pay attention to the education of the younger generation and improve services for the children. He also called on the parents in 220 millions Chinese families to educate their children well.

Urging efforts to ensure that the 300 million Chinese children grow up healthily, he also called for more nurseries and kindergartens, basic universal primary education before the year 1990 and special attention to the handicapped and mentally retarded children.

Children should be educated to keep constantly in mind their country and people and the whole mankind, and to strengthen their solidarity with the children all over the world, Liu Lantao said.

Liu Lantao also encouraged artists to produce more literary works, movies, television plays, dramas, music, songs and dances for the children.

Speeches were also made by Yu Lan, director of the Beijing Children's Film Studio; Meng Xiangxi, who led a group of retired cadres in helping educate children in Anyang City of Henan Province; and Zhang Yunzhi, a primary school teacher in Beijing.

A festive atmosphere prevailed at the tea party in the Great Hall of the People. Two hundred children, dressed in their holiday best, performed songs and dances, drawing warm applause.

DENG LIQUN EXTENDS GREETINGS TO BEIJING ORPHANS

OW261743 Beijing XINHUA in English 1039 GMT 26 May 84

[Text] Beijing, May 26 (XINHUA) -- Some 100 orphans and 140 handicapped children enjoyed a rich program of artistic performances and received a package of gifts each here this morning in celebration of the coming International Children's Day.

Accompanied by their parents and guardians, the children, aged seven to 15, sang, danced, played games and watched conjuring acts and two shadow plays at the China National Children's Center.

The orphans were not outdone in clothing. Their clothes were bought for them with a special fund from the Beijing Municipal Civil Affairs Bureau.

The presents the children received today included terrestrial globes, building blocks, notebooks, ball-point pens, badges and cakes from the municipal Civil Affairs Bureau, the Education Bureau and 12 other departments which jointly sponsored the activity today.

Deng Liqun, member of the Communist Party Central Committee Secretariat, extended festival greetings to the children.

Beijing has 300 orphans aged 7-15, whose living expenses are taken care of by the government. They are looked after by relatives, their parents, colleagues, neighbors or the municipal Children's Welfare Institute.

Among the orphans present today were three sisters dressed in bright jackets. The department where their father worked now pays their daily living expenses, and education and medical care, costs, and their late father's savings were put in the bank for their future use.

"After our father died two years ago," said one, "we moved to a new apartment with two rooms to be near our guardians, and they look after us like their own children."

Beijing has four schools for deaf-mutes and one for the blind, while disabled children attend schools near their homes. They are all provided with jobs upon graduation.

Among the 21,000 deaf-mutes and blind persons in Beijing, 2,400 are between the ages of seven and 15 years old.

GUIZHOU RIBAO ON CHANGING ECONOMIC GUIDELINE

HK180952 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 17 May 84

[Text] Today [18 May] GUIZHOU RIBAO carries an editorial on page 1, which emphasizes that the guideline must be correctly changed in order to develop the economy in Guizhou.

The editorial says: Our province is presently situated at a crucial juncture and is experiencing an important historical change. The provincial Party Committee has summarized the main contents of this change: Attention should be shifted from ensuring people's food and clothes to helping people become well-off; from developing agriculture to ensuring the comprehensive development of all economic sectors; from handling production to coordinating all economic activities, including production, exchange, distribution, and consumption; and from ensuring self-sufficiency to opening the economy to outside areas and developing the commodity economy. In short, our attention should be focused on development. This is an important strategic change.

The editorial says: Most comrades can have a correct understanding of this change and have taken positive action to effect this change. However, some comrades still fail to keep abreast of the developing situation.

The editorial stresses: A precondition for creating a new situation is to ensure that all comrades can correctly understand the important change of our guideline for economic work. Only by properly solving this issue can we smoothly shift our work in all fields onto the new course, and can we correctly guide our work in a realistic way. Only thus can we successfully overcome various difficulties and problems in our future work and vigorously promote our work in a creative way.

At present, the situations in various localities are good in general. Many local leaderships have taken a far-reaching view on arranging their economic work and planning their economic development. However, it is also true that some leading comrades are still short of necessary insight and courage. They have not made any mental preparations for future development and cannot work out any effective development plans. Therefore, it is essentially important for party and government leaders at all levels to establish a correct guideline in their minds at this crucial historical juncture.

GUIZHOU CALLS FOR HALTING 'UNHEALTHY' TENDENCIES

HK241530 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 23 May 84

[Text] The provincial CPC Discipline Inspection Commission recently promulgated some regulations on resolutely eliminating unhealthy tendencies of some party members and cadres in recruitment and transfer, demanding that all areas and units earnestly implement them.

The regulations pointed out that since the CPC Central Committee approved some rules on the inner party political life in 1980, the province has done some work in checking the unhealthy tendencies in recruitment and transfer, achieving certain results. However, the unhealthy practices by a handful of party members and party member cadres in this field are still very serious. Some, by taking advantage of their power and positions and personal connections, violated the party's policy and regulations to recruit and transfer their sons, daughters, and relatives. Some departments or personnel in charge of recruitment and transfer even went so far as to practice fraud, extort money from others, and seek personal interests in violation of law. All this has seriously impaired the party's reputation, resulting in impure organizations and poor quality of staff and workers, and dampened the enthusiasm of the masses for building socialism. This must be resolutely rectified.

The regulations raised the following concrete requirements for eliminating the unhealthy practices in recruitment and transfer:

1. It is necessary to resolutely correct the mistake of recruiting people in violation of relevant policies and stipulations and the mistake of recruiting those who do not meet the prescribed requirements, idiots and mental patients in particular.
2. It is necessary to resolutely correct the mistake of those cadres who, by taking advantage of their power and position, recruit their sons, daughters, and relatives as state cadres or appoint them state cadres.
3. It is necessary to resolutely correct the mistake of recruiting disqualified university students in violation of the principle of selecting the best students and by resorting to deception, and the mistake of those cadres who send their disqualified sons and daughters to universities and colleges for training.
4. It is necessary to resolutely correct the mistake of those who, by practicing fraud, transfer their sons, daughters, and relatives cities and change their agricultural household registrations to urban household registrations.
5. It is necessary to correct the mistakes of changing staff and workers of units owned by collectives to staff and workers of units owned by the people, except for one or two cases in which the units concerned are approved by labor departments to recruit people for special jobs.
6. It is necessary to properly resolve the problem of those party member leading cadres who, in violation of regulations and by taking advantage of their power and position, transfer their sons, daughters, and relatives to work in the units and departments under their leadership, if the masses have many complaints about them.

The regulations demanded that party organizations at all levels, under the unified leadership of party committees and with Discipline Inspection Commissions as their heads, transfer people from labor, personnel, organizational, public security, grain, and educational departments to establish special offices so as to ensure that the work is carried out smoothly.

Those units in which party rectification has been carried out must earnestly resolve the problem. Those units in which party rectification has not yet been carried out must resolve the problem before carrying out party rectification. They must rectify the defect before National Day, at any rate, no later than the end of this year.

#### SICHUAN ISSUES CIRCULAR ON PARTY RECTIFICATION

HK241524 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 24 May 84

[Text] The general office of the party rectification guidance group of the Sichuan Provincial CPC Committee has issued a circular, putting forth several problems to which attention should be given in the course of party rectification, comparison, and examination which organs at the provincial level are now conducting.

The circular says: Since organs at the provincial level began party rectification last winter, after studying documents on party rectification, one after another they have entered the stage of comparison and examination. Now, 35 units have conducted comparison and examination. Before entering the stage of comparison and examination, all units made full preparations, extensively carried out the activities of heart-to-heart talks, penetratingly done ideological and political work, and seriously analyzed and studied the main problems which should be solved in the course of comparison and examination. The party rectification guidance group of the provincial CPC Committee and large departments engaging in party rectification had seriously checked and accepted the units at the stage of study.

Leadership groups and leading cadres have taken the lead in conducting comparison and examination. Work has been done from top to bottom. The situation at this stage overall is good & the development is healthy. There are several outstanding characteristics of these units comparison and examination:

1. The guiding ideology is clear and definite. Important existing problems concerning principles and work have been solved with the spirit of reform.
2. They have fully taken the mass line, fostered democracy, listened to the views of all quarters, and grasped the main problems.
3. They have paid attention to simultaneous rectification and correction of defects. Regarding the problems which can be solved immediately, they have carried out initial rectification and correction of defects.

However, at present, some problems still exist to which attention should be given. Some units have not solved very well the problems of being subordinate to and serving the general target of the whole party, which involve the principles of work in their own departments. They have not grasped firmly enough the unhealthy trends of taking advantage of powers to seek personal gain and of bureaucratism. Some leading cadres have not set strict demands on themselves and have not conducted examination seriously enough.

With a view to really doing work well at the stage of comparison and examination and consolidating and developing the achievements already made, the following circular on the several problems to which attention should be given is issued in accordance with the requirements of the party rectification guidance group of the provincial CPC Committee:

1. In comparison and examination, it is necessary to put the correction of the ideological and political line in the first position, to further eliminate leftist influence, to emancipate the mind, to promote reform, and to solve the important problems concerning principles and work in their own departments so that their work can be subordinate to and can serve the general target and the general task of the whole party.
2. In the course of comparison and examination, it is essential to seriously examine and correct the unhealthy trends of taking advantage of power to seek personal gain and of bureaucratism of not being responsible to the party and the people.
3. In comparison and examination, it is imperative to solve problems in a down-to-earth manner. We must not merely pay lip service.
4. Leading cadres must set high standards for and strict demands on themselves and must take the lead in conducting comparison and examination well.
5. The units which have carried out comparison and examination to a certain extent must stress grasping well the following several areas of work:
  1. They must make a brief summing up of party rectification work at this stage and, in light of some common problems reflected in the course of comparison and examination, must select relevant articles for study and must deliberately organize discussions on special topics.
  2. They must do well in solving the problems which were not solved or were solved not well at the previous stage.

4. It is necessary to continue to grasp well the work of weeding out, [qingli] people of three categories. It is essential to clearly understand the situation of other party members making mistakes. We must analyze and study party members whose conscientiousness is very low and who do not conform to the standard of a party member. We must carry out intense and meticulous transformation work and must make necessary preparations for organizations to handle them and for the registration of party members.

5. While grasping party rectification well, we must grasp other areas of work well to ensure that party rectification can promote the economy and work.

#### SICHUAN GROUP REFORMS PERSONNEL MANAGEMENT SYSTEM

HK230924 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 23 May 84

[Excerpts] In the course of simultaneously rectifying and correcting defects, the party rectification group of the provincial routine work management bureau is energetically reforming its personnel management system. It has conducted democratic elections for middle-level leading cadres of the outpatient department of the provincial hospital and for middle-level leading cadres of (Yingliu) Hotel. These cadres have been elected for a term of 2 years. Those whose performance of work is prominent can be reelected consecutively. Those who fail to perform their work well will be required to go back to their original posts or to do other work.

Since the implementation of this new system, 15 doctors and nurses in the outpatient department have been elected section leading cadres. As a result, the average age of section-leading cadres has dropped from 52 to 46. Fourteen comrades of (Yingliu) Hotel have been elected for the middle-level leading body of the hotel, and now the average age of cadres in the leading body has dropped from 48.3 to 33.

#### SICHUAN OFFICIAL ON RESEARCH SYSTEM REFORM

HK280334 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 25 May 84

[Excerpts] In an interview with a reporter, Song Dafan, Standing Committee member of the provincial CPC Committee and chairman of the provincial Science Committee, talked about the reform of the scientific research system. He spoke on the following seven problems.

##### 1. Why should the reform of the scientific research system be carried out now?

Comrade Song Dafan said: The present scientific research system is not suited to economic construction. In order to meet the needs of the development of economic construction, the present scientific research system must be reformed. If there is only the reform of the economic system and no corresponding reform of the science and technology system, it will be impossible to meet the needs of science and technology in building modernization, all economic construction will be hindered, and the results of the reform of the economic system will be greatly limited. It is, therefore, a very urgent problem at present to reform the scientific and technological system and the reform must be firmly grasped so as to keep pace with the whole economic system and the rapidly developing new situation.

##### 2. What is the purpose, requirement, and guiding thought of the reform of the scientific research system?

Comrade Song Dafan said: On the whole, two problems should be resolved in carrying out the reform of the scientific research system. One is to resolve the problem of scientific and technological departments and scientific research units eating from the big pot of the state, and to properly handle the relationships between scientific research units and the responsible state departments.

The other is to resolve the problem of scientific and technological personnel and staff members and workers of scientific research units eating from the big pot of their own units and to properly handle the internal relations of scientific research units. One purpose of the reform is to promote the integration of scientific research and production so that science and technology can cater to the needs of economic construction and better serve economic construction. The other purpose is to fully unleash the initiative of scientific research units and scientific and technological personnel and bring into full play the role of talented people.

3. How can the principle of the state taking the large share of interest be carried out in scientific research institutions?

Comrade Song Dafan said: Correctly handling the relationship between the states, scientific research institutions, and individual scientific and technological personnel can guarantee the smooth progress of the reform of the scientific research system and is a problem of principle which must be resolved in formulating corresponding policies, especially the tax policy. To properly resolve this problem, it is necessary to unify our thinking and to clearly understand what the large share of interest of a scientific research institution means. I hold that the social and economic results achieved with the promotion and application of scientific and technological achievements made by scientific research institutions are the large share of interest contributed by scientific research institutions to the state. What scientific research institutions obtain by research transference of their scientific and technological achievements is the medium share of interest. The bonuses received by scientific and technological personnel are only the small share of interest.

4. What arrangements will be made for the reform of the scientific research system in our province?

Comrade Song Dafan said: Last year, enterprise consolidation was widely carried out in scientific research units of the province. Eight scientific research institutions carried out a pilot project of the responsibility system in scientific research, achieving successful experiences. On this basis, this year the province will widely promote the experience of the Chengdu Electronics Research Institute in practicing the economic responsibility system in scientific research centered on the contract of the scientific research subject so as to further expand the decisionmaking power of scientific research units, practice the contract system of scientific research funds, and gradually change in 3 to 5 years those scientific research units engaged in technological exploitation, promotion, and application into units which practice the reward contract system.

5. After widely practicing the economic responsibility system of scientific research contracts in natural science research units to further expand their decisionmaking power, what policies have been relaxed this year?

Comrade Song Dafan said: Natural science research units carried out overall consolidation last year. On this basis, they further expanded their decisionmaking power this year, mainly in the following fields: 1. Expand the power of handling personnel affairs. 2. Expand the power of handling financial affairs. 3. Expand the power of formulating plans.

6. In those scientific research units which will practice the rewarded contract system in technological exploitation, promotion, and application, what else will be done in relaxing policies?

Comrade Song Dafan said: Apart from the above regulations, those scientific research units which will carry out the pilot project of not using state funds and will practice the reward contract system are to further relax their policies, mainly in the following fields: 1) Practice the responsibility system of institution head. 2) The total amount of reward money must be higher than in ordinary scientific research units. 3) On the problem of salary, they can decide themselves in what form to pay salaries according to their own features on the premise of the unified salary standards stipulated by the state and the unified allowance system stipulated by the state on areas of different salary categories.

7. How should CPC committees and relevant departments at all levels support the reform of the scientific research system?

Comrade Song Dafan said: CPC committees and relevant departments at all levels must strengthen their leadership over the reform of the scientific and technological system, continue to eliminate the leftist influence, lift restrictions on scientific research units, and encourage them to emancipate their mind, make explorations, courageously blaze new trails, and enliven scientific research.

Comrade Song Dafan hoped that leaders at all levels and in all departments and areas would vigorously support the reform, give the green light to the reform of the scientific research system, and create a new situation in the province's scientific and technological work centered on the subject of science and technology serving economic construction and making contributions to the people's livelihood.

PLA HELPS SICHUAN PEASANTS IN RUSH HARVEST

OW260813 Beijing Domestic Service in Mandarin 1000 GMT 24 May 84

[Text] The headquarters and political department of the Chengdu Military Region on 23 May issued an urgent telephone circular, calling on the subordinate units to organize their cadres and fighters to help actively and on their own accord local people in rush-harvesting and rush-planting. Since early May this year, rains have continued in most parts of Sichuan. As a result, ripened crops cannot be harvested and dried in the sun in good time. The circular urges PLA units to contact local governments immediately to find out the situation, ask what they can do to help, and help the peasants overcome farming difficulties caused by excessive rains.

It has been learned that after receiving the telephone circular, the units under the Chengdu Military Region have taken various actions to support local peasants so that good harvests can be ensured.

XIZANG APPROVES REGULATIONS FOR RURAL AREAS

HK230423 Lhasa Xizang Regional Service in Mandarin 1130 GMT 18 May 84

[Text] On 4 May, the regional CPC Committee promulgated some regulations for rural and pastoral areas. The regulations are for trial implementation. There are 20 regulations in total. The main contents are as follows:

1. It is glorious to become rich through diligent work. It is necessary to advocate and encourage part of the people to become rich first and then gradually achieve the target of all people becoming rich.
2. [words indistinct] provide masses with various channels to become rich and make money. None of the departments and units are allowed to [words indistinct].

3. Individual business operators, staff and workers of collective enterprises, and staff and workers of state-run enterprises are politically equal and should be treated equally. The principle of distribution according to one's work should be carried out in regard to pay. Those who make excellent achievements in production, business operation, and work can be elected model laborers and advanced workers at all levels and should be commended and encouraged by the government.

4. In order to let the masses continue to rest and build up their strength, the period for exemption from agricultural and animal husbandry taxes is extended to 1990. From this year on, planned purchase and planned purchase in disguised forms of grain, oil seeds, [word indistinct], beef, and mutton are canceled.

5. In order to alleviate the burden of the masses, from this year, subsidies to cadres of communes and brigades are to be allocated from local financial expenses. The problems of the daily life of households enjoying five guarantees should be resolved by using social welfare funds. It is impermissible to extort money or materials from the masses in the form of apportionments.

6. It is necessary to resolutely protect the decisionmaking power of peasants and herdsmen in production. It is absolutely impermissible to force the masses to do something or not to do something.

7. In carrying out the responsibility system in production, it is necessary to proceed from reality and to respect the will and wishes of the masses. The simpler the form, the better the result. The more direct the interest, the better the result. It is necessary to refrain from practicing formalism and from demanding uniformity in everything.

8. It is necessary to vigorously support and develop various specialized and key households and to give them preferential treatment in funds, technology, equipment, and raw materials.

9. [words indistinct] it is necessary to vigorously support the nationality handicraft industry. The state must give more preferential treatment to the industry in funds, equipment, raw material, and technology and help to open up markets for the products.

10. It is necessary, on the premise of developing and protecting state-run forests, collective forests, and forests contracted for by individuals, to relax policy on forestry so that the masses may get due and practical benefits.

11. It is necessary to plant trees and to grow grass and forage on barren hills, on underdeveloped beaches, and on wasteland. Whoever plants trees and grows grass and forage will get the trees, grass, and forage. This policy should remain unchanged for a long time. Inheritance and transference are allowed. The products should be handled by those concerned themselves.

12. The period for land contracts is extended to 30 years. Land contracts can be transferred to others and [words indistinct] and free trade is allowed.

13. The power of using [words indistinct] grassland by herdsmen is assigned to lower levels at [words indistinct]. It is necessary to encourage herdsmen to reclaim and build grassland by various means.

14. Collectives and individuals can buy agricultural machines, farm implements, and transportation means. The state should buy some agricultural machines, farm and animal husbandry implements, various types of tractors, and vehicles every year and then sell them to the masses at list price. All enterprises and institutions in the region can also sell excess vehicles to the masses at low prices.

Oil used by collectives and individuals for their agricultural machines, and farm and animal husbandry implements is supplied by the state at list price. Collectives and individual need not pay road maintenance fees if their vehicles are driven inside the region.

15. Encourage collectives and individuals to develop long distance transportation of goods to sell. Permission should be given to individual traders in the region and from other provinces to set up business points and carry out business, and encourage them to do business by traveling streets and lanes.

16. Peasants and herdsmen in the region and from other provinces and regions are permitted to carry out commerce, service industry, and the processing industry in cities and towns.

17. Individuals are permitted to hire laborers on a voluntary basis. Wages, welfare treatment, and payment methods can be decided by the two sides through negotiations.

18. Develop country fair trade. Except for a handful of products which are not permitted to be put on sale according to regulations of the state, such as [words indistinct] valuable Chinese medicines, guns, ammunition, explosives, poisons, and reactionary books and magazines, all other products are permitted to be put on sale.

19. Encourage technological progress. Those who make outstanding achievements in using advanced science and technology in agricultural and animal husbandry production should be commended and rewarded by the state.

20. Implement the policy of being open to foreign countries and other provinces, [words indistinct] so as to boost the economy and enliven the market.

#### XIZANG'S YIN FATANG ON RELIGIOUS FREEDOM

HK250436 Lhasa Xizang Regional Service in Mandarin 1130 GMT 24 May 84

[Text] On the afternoon of 23 May, Yin Fatang, first secretary of the Regional CPC Committee, and Hu Songjie, member of the Regional CPC Committee Standing Committee, inspected the (Xiaodeng) Temple in Nagqu town. They were warmly received and welcomed by monks of the temple. Ying Fatang told them that party's policy on religious freedom will not change for a long time. Normal religious activities should be allowed and protected. Monks may keep their mind on religious activities.

The (Xiaodang) Temple is the biggest temple in the northern part of Xizang. It was established during the period of the eighth Dalai Lama. It has a history of about 300 years. It once preserved a great quantity of previous cultural relics and handicraft articles. However, during the 10 years of turmoil, the temple was severely sabotaged. Following the implementation of the important instructions on the work of Xizang issued by the CPC Central Committee in 1980, the Regional CPC Committee decided to make the temple one of the first to be repaired. The People's Government allocated special funds and organized a work team to start the project of repairing the temple. At present, the project has been basically completed, and it is open to religious followers.

While inspecting the temple, Comrade Yin Fatang inquired about the details of the project of repairing the temple, the activities of the temple, and life of monks. (Lozong Ginpei), a former ruler of the (Xiaodang) Temple, and (Lozong Zhanzhu), vice chairman of the CPPCC of Nagqu Prefecture and responsible person of the group repairing the temple, answered his questions one after another.

Comrade Yin Fatang said happily: The (Xiaodang) Temple is an influential temple in the northern part of Xizang. You have done a lot to repair the temple, so we should express our thanks to you. I hope that you will continue to maintain and protect the temple, and provide the masses with a good place for religious activities.

Comrade Yin Fatang told responsible persons of the temple: At present, the whole region is implementing the spirit of the forum on the work of Xizang to further eliminate leftist influence. The party policy for religion will be implemented in an increasingly better way, and the situation in Xizang is also getting better and better. You may tell us if you have any difficulties. The party and government will surely help you solve your difficulties.

On the morning of 23 May, Yin Fatang, first secretary of the Regional CPC Committee, visited patriotic personages in Nagqu. He told them: Patriotic personages in Xizang did a lot of beneficial work in the past, and achieved good results. Under the new situation, they should play a greater role. He hoped that patriotic personages would work out more ideas and methods, and suggest ways and means for building a new Xizang. To build a new Xizang, which is characterized by unity, prosperity, and civilization is inseparable from the efforts of the patriotic personages. This was a truth in the past and will also be a truth in future. We should truly treat each other with all sincerity and share weal and woe. We should conscientiously study and implement the spirit of the forum on the work of Xizang and bring about an economic upswing in Xizang.

#### YUNNAN MINING LANDSLIDE KILLS 100 27 MAY

HK280636 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 27 May 84

[Text] According to an urgent report today from the Dongchuan City Water Conservancy and Electric Power Bureau's landslide, precautions office, at about 0430 today a landslide occurred following torrential rain at the Dongchuan City (Yunmin) mining area. A mining office building and the No 2 mining gallery were swept into the slide, and the supply and marketing cooperative, banking office, post office were buried in silt. Several score homes of (Hongshan) production team were flattened.

According to initial investigations, about 100 people were killed, and over 50 have been hospitalized. The mining area leaders have now organized a group to carry out rescue work.

According to the general office of the provincial People's Government, Vice Governors Zhu Kui and Chen Liying held an emergency meeting this morning which, in accordance with the provincial CPC Committee's instructions, decided that a rescue and comfort group should be organized, headed by Li Mingde, secretary general of the provincial Government, and composed of comrades from the economics committee and the metallurgical, civil affairs, public health, labor and personnel, and commerce departments. The group set out this afternoon for the disaster to carry out rescue and comfort work.

#### YUNNAN HOLDS MEETING ON COLLECTIVE ENTERPRISES

HK231515 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 22 May 84

[Text] Continuing to eliminate the leftist influence is an urgent task confronting the province's economic front, the economic front of urban and rural collective enterprises in particular. This demand was raised by provincial Vice Governor Zhu Kui at the provincial meeting on work in collective enterprises and the light industry. In his summation report to the conference, he listed seven tasks.

1. It is necessary to establish the due position of the collective economy, to resolutely carry out the principle of simultaneous development of state, collectives, and individuals and going all out to develop urban and rural commodity production, and to criticize the wrong idea that only those enterprises owned by all people have socialist economy.
2. It is necessary to carry out the principle of distribution according to work and to let those enterprises which achieve relatively good economic results through normal business operations and those staff and workers who make relatively great contributions through hard work become rich first. It is necessary to criticize the wrong idea of treating the practice of eating out of the same big pot and iron rice bowls as the best of socialism.
3. It is necessary to respect the right to independent business operations of collective enterprises and to regulate social production by depending on such economic levers as prices, taxes, and credit. It is not good to impose too many restrictions on enterprises. No administrative means should be taken and no administrative orders should be given to willfully interfere in the production and business operations of enterprises.
4. Collective enterprises must adhere to collective ownership, carry out independent business accounting, assume sole responsibility for their own profits and losses, conduct democratic management, and adopt the method of an independent business operation. The method of running state-run enterprises should not be used to run large collective enterprises, otherwise the collective enterprises will lose their vitality and features.
5. State-run and collective enterprises should be treated equally. It is necessary to speed up the reform of the system of supply and marketing cooperatives, to vigorously support two households and one combination in rural areas, to criticize the lopsided idea of thinking state-run enterprises are more important than collectives and production is more important than circulation, and to oppose monopoly business operations.
6. It is necessary to encourage residents in cities and towns to set up factories and shops in rural areas, to encourage peasants to work and do business in cities and towns and to resolve their grain ration problem themselves, and to encourage state-run enterprises to assign the production of some products and spare parts, which are suitable for collective enterprises, to urban and rural collective enterprises. Thus, a coordinated production line can gradually be formed, with production as the leader and state-run large and medium-sized enterprises as the backbones, to break down barriers between departments and regions, between cities and the countryside, and between state-run enterprises, collective enterprises, and town-and-township enterprises.
7. It is necessary to implement the open policy, to vigorously import technological talent, to carry out extensive and various economic combinations, and to break the closed-door policy and economic blockade.

YUNNAN ISSUES CIRCULAR ON INTELLECTUALS POLICY

HK250247 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 23 May 84

[Excerpts] On 9 May, the provincial CPC Committee issued a circular, demanding that CPC Committees at all levels further do a good job in examining the implementation of the policy on intellectuals.

The circular said: Since the 3rd Plenary Session of the 11th CPC Central Committee, CPC Committees at all levels in the province have done quite a lot in implementing the policy on intellectuals, achieving remarkable results. However, there still exist to different extents problems of failing to implement the party's policy on intellectuals. Some are very serious. Such a situation must swiftly be changed by taking effective measures.

In order to do a good job in examining the implementation of the policy on intellectuals, the circular pointed out:

1. It is necessary, through study, to fully understand the strategic significance of properly carrying out the work of intellectuals and earnestly strengthening the leadership over the work of intellectuals.
2. It is necessary, in connection with one's characteristics, to grasp the essential and completely and thoroughly conduct the examination.
3. Leaders at all levels and departments must take up responsibilities for their own work.
4. It is necessary to associate the examination with the building of leading bodies and the third echelon, so as to achieve the purpose of promoting each other.
5. Those problems exposed in the examination must be firmly grasped and seriously resolved.

The circular finally said: It is also necessary, through the examination, to vigorously strengthen and improve the work of conducting ideological education among intellectuals and enthusiastically encourage them to take the road of being both Red and expert.

BEIJING OFFICIALS PROMOTE DEVELOPMENT OF CITY

HK290234 Beijing RENMIN RIBAO in Chinese 23 May 84 pp 1, 4

[Report by Lu Nan: "Leading Comrades of Beijing Municipal CPC Committee Go To Grass-roots Units To Make Investigations, Devise Reform Plan To Promote Construction of the Capital City"]

[Text] Editor's note: In carrying out examination and comparison during party rectification, the Beijing Municipal CPC Committee has discovered a lapse in maintaining a high ideological and political unity within the CPC Central Committee with the goal of creating a new situation in the building of the capital city, and linking comparison and examination with their work and actual ideological conditions. Such spirit and practice are the requirements of the high standards set by the CPC Central Committee.

It is imperative to link party rectification with reforms. Party rectification will push forward reforms, while reforms will in turn test the effects of party rectification. Only when examination is carried out on the basis of high standards, our ideology is thoroughly purified, our orientation is made clear and definite, and a unanimous understanding is reached will we be able to conscientiously carry out reforms, be indomitable in the course of reform, and be resourceful and decisive. When leading bodies firmly grasp this essential question, they will be able to enhance the conscientiousness of all party members in realizing the party's general target and general task, and to heighten the confidence of the people in taking the socialist road with Chinese characteristics.

However, some localities and departments have not been adhering to the high standards set in comparison and examination during party rectification. General discussions have been conducted and the masses feel that this is doing things in a hurry, and are worrying that comparison and examination during party rectification will be done superficially. It is suggested that reference should be made to Beijing's practice, so that their work in party rectification may be improved. [end editor's note]

On the basis of seriously studying the documents on party rectification, the Beijing Municipal CPC Committee has discovered shortcomings in maintaining a high ideological and political unity with the CPC Central Committee by seeking a wide range of opinions, through repeated comparison and examination, and by linking them with the actual conditions of their work, centering around the questions of whether they have been subjected to and served the general task and general target proposed by the 12th CPC National Congress in every field of their work, and whether they have found the new path in conformity with the characteristics of the capital city.

Like the rest of the country, Beijing was hesitant for 2 years after the smashing of the "gang of four." It had taken a detour shortly before and after the 3d Plenary Session of the 11th CPC Central Committee. Since 1981, the municipal CPC Committee has made great progress in every field of work on the basis of seriously summing up historical experiences and lessons, and working hard to implement the four instructions of the CPC Central Secretariat on the principle of building the capital city. At the beginning, many comrades said that in keeping in unity with the CPC Central Committee, the municipal CPC Committee was ideologically explicit, and had adopted a resolute attitude. However, the municipal CPC Committee held that they should not remain satisfied with generally keeping in unanimity with the CPC Central Committee, but should keep in high ideological and political unanimity with the CPC Central Committee, and they should link comparison and examination with the actual conditions of the capital city, work hard to create a new situation in the modernization of the capital city, examine the problems in the work of the municipal CPC Committee, and discover the existing lapses.

They have failed to conduct a close and meticulous investigation and study of the new conditions and problems arising from the modernization of the capital city.

In comparison and examination, the municipal CPC Committee Standing Committee sent the above-mentioned problems to over 2,000 leading comrades of various departments, committees, offices, districts, counties, bureaus, and institutes of higher education, large factories, mines, and enterprises, for discussion, seeking their criticism on the municipal CPC Committee. Members of the municipal CPC Committee Standing Committee have repeatedly made a comparison and examination, holding deep and thorough discussions, until they reached unity in their understanding.

Beijing City has attached great importance to linking party rectification with creating a new situation in the building of the capital city, and to solving in practice those problems exposed in comparison and examination. At the beginning of this year, Chen Xitong and other leading members of the municipal CPC Committee and government led the responsible people of relevant departments to 25 districts, counties, and bureaus, handling affairs on the spot, solving face-to-face over 200 specific problems in the development of commodity production in both urban and rural areas, and problems of primary concern of the masses. In order to push reform forward, members of the municipal CPC Committee Standing Committee have gone to the departments they are in charge of, according to their divisions of labor, linked comparison and examination in carrying out investigation and study, and drawn up draft plans for reform. Since March this year, Comrade Duan Junyi has gone to over 20 factories, stores, hotels, schools, and cultural units, bringing with him some problems concerning policies, to discuss the plans for reform with cadres, workers, and staff. The municipal CPC Committee has decided to start reform with the building trade so as to make a breakthrough and to acquire experiences, which will later be spread to other trades. It is required that all departments under the municipal CPC Committee and government, in particular, departments of industry, and commerce, finance and taxation, banks, goods and materials, prices, labor, and personnel should conscientiously support and promote reform, and give it the green light. It is necessary to loosen the ropes on all levels of enterprises, and every level should transfer some power to a lower level; enough decisionmaking power in personnel, finance, and materials should be given to them so as to create a new situation in the work of the whole city.

Implementing simultaneous rectification and correction of defects so as to push forward party rectification work, Beijing City has made remarkable achievements: Since the beginning of this year, Beijing City has made new developments in building its spiritual, cultural, and material civilizations. Between January and April, industrial output value increased by 11.8 percent against the same period last year; profit realized increased by 12.3 percent against the same period last year; and economic results have increased remarkably; the output of eggs was up by 39 percent on the basis of an unlimited supply, output of milk increased by 18.6 percent, pork increased by 17 percent, individual management economy on a household basis increased by 33.1 percent, the amount of country fair trade increased by 21.3 percent, and commodity production is undergoing rapid development.

#### NEI MONGGOL PREPARES FOR CONGRESS SESSION

SK280318 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 26 May 84

[Text] The Standing Committee of the sixth autonomous regional People's Congress held its seventh meeting from 25 to 26 May, which is chiefly aimed at examining or discussing the matters concerned and preparations for the second session of the sixth regional People's Congress. At the meeting, participating members discussed and examined the draft namelist of candidates for the presidium and secretary general of the second congress session and the draft namelist of members for the Motion Examination Committee.

In order to unify their understanding, and to grasp the key link well, activities of carrying out heart-to-heart talks have been unfolded between members of the municipal CPC Committee Standing Committee. They often go to the departments they are in charge of, according to their divisions of labor, to seek opinions on the municipal CPC Committee. Duan Junyi, first secretary of the municipal CPC Committee, has talked with scores of comrades in succession and has, exchanged views. They judged the work of Beijing City in accordance with the requirements of the CPC Central Committee on Beijing -- to become an example of an advanced province and city -- and on their own have conscientiously discovered their lapses in keeping in high unanimity with the CPC Central Committee. The specific lapses are:

1. "Leftist" influences have not been eliminated; they have not emancipated their minds enough, and they have not yet made a breakthrough in the reforms in many aspects. Concerning the ownership system, the effects of "being large in size and collective in nature" are somewhat profound; problems of looking down upon the collective economy, and of showing discrimination against the individual economy have not been solved completely. Compared with advanced provinces and cities, Beijing's development of collective and individual economies have not been fast enough, while some regulations and measures have been proved to be too rigid and have blocked the development of individual operations. In distribution, the practice of egalitarianism in the forms of "eating from the same big pot," and "holding the iron bowl" has not been stopped. Apart from those units undergoing experiments in reform, the old wage and bonus systems in the majority of enterprises have not yet been touched upon. In circulation, for a long time they have relied on a "monopoly" system in handling affairs. There have been many experiences in the "rigidity" in administration, but very few "measures" to invigorate the economy. The scope for state monopoly or assignment for purchases or planned purchases is still too wide, and the role of market regulation has not been fully brought into play. In the administrative structure, power has been overconcentrated, resulting in an excess in organs and personnel, documents, and meetings, much arguing over trifles, and low work efficiency, while organs at lower levels are busy, and grassroots units fail to become lively in their work. The municipal CPC Committee holds that the chief reason why reforms have been so difficult to carry out lies in the fact that in the work of the municipal CPC Committee, there still exist the remnants of "leftism," which are still grave in some areas.
2. The development of educational, science, and cultural undertakings is far from meeting the requirements of the modernizations of the capital city, and spiritual civilization construction fails to match the capital city as the political and cultural center of the country.
3. The development of an economy suitable to the characteristics of the capital city has not been fast enough. There are many weak links which urgently need to be strengthened in the production of food, clothing, and articles for daily use, in the development of the commercial service trades networks, in the construction of urban residential buildings and infrastructural equipment, and in the treatment of environmental pollution.
4. There exists the idea of being satisfied with the situation of being middle-of-the-road in their present conditions, and lack the spirit of being bold in blazing new trails. They are not keen enough in their thinking, and their vision is not wide enough. They are not learning enough from advanced provinces and cities. Often they become satisfied with "making some progress every year, though not much, and making achievements every year, though not so remarkable." And sometimes they even grow complacent.
5. A bureaucratic style exists. The municipal CPC Committee is often drowning in an ocean of meetings and buried in piles of documents. They are busy all day dealing with exhausting routine matters, and cannot afford enough time to discuss major matters.

Both of the two namelists will be submitted to the preparatory meeting of the second session for approval. The meeting also discussed and examined the draft agenda of the second session, the draft namelist of candidates for permanent chairmen and executive chairmen of the session's presidium, and the draft name list of candidates for deputy secretaries general of the second session. All drafts mentioned above will be submitted to the presidium of the second session for approval. The meeting also examined and discussed the draft electoral affairs of the second session, which will be submitted to the session's presidium and then, to the second session for approval. In addition, the meeting heard the report given by Seyinbayer, chairman of the credential committee under the Sixth Regional People's Congress Standing Committee, in regard to the personnel changes of deputies and the examination on the qualification of new deputies. The report pointed out that, since the first session of the Sixth Regional People's Congress, seven deputies had died and two deputies had been transferred to outside places. During the period, Arun Banner elected (Mao Zhonglai) as additional deputy to the Sixth Regional People's Congress, and his qualifications were approved by the credential committee. The meeting also made a decision on some personnel changes.

Li Wen, vice chairman of the regional People's Congress Standing Committee, presided over the meeting. Attending the meeting were vice chairmen of the regional People's Congress Standing Committee, including Hao Xiushan, He Yao, Seyinbayer, Chao Loumeng, and Bute Geqi. Among those who attended the meeting as observers were Bai Junqing, vice chairman of the regional People's Government, (Yang Dalai), president of the regional Higher People's Court, and Wang Linzhong, chief procurator of the regional People's Procuratorate.

#### NEI MONGGOL DEPARTMENT OFFICIALS APPOINTED

SK280320 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 26 May 84

[Text] The seventh meeting of the sixth autonomous regional People's Congress Standing Committee approved a resolution on 26 May on the following personnel changes: (Ren Zhengchun) is appointed director of the regional Public Security Department; (Liu Zhizhong) is appointed director of the regional National Security Department; (Zhao Qianrui) is appointed director of the regional Civil Affairs Department; (Wang Deyi) is appointed director of the regional Water Conservancy Department; (Tan Hongxin) is appointed director of the regional Material Supply Bureau; and (Wang Deyi) is dismissed from the post of director of the regional Civil Affairs Department.

#### NEI MONGGOL CPPCC SESSION HELD 26-27 MAY

SK280553 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 27 May 84

[Text] The Standing Committee of the Fifth Autonomous Regional CPPCC Committee held its seventh meeting from 26 to 27 May to examine and discuss the matters concerned and preparations for the second session of the Fifth Regional CPPCC Committee.

The meeting heard the report given by (Li Junshan), secretary general of the regional CPPCC Committee, in regard to the preparations for the second session of the Fifth Regional CPPCC Committee and adopted the draft agenda and date of the second session. The meeting approved the measures of holding group discussion and the draft namelist of conveners in holding group discussions. The meeting also approved the draft name list of additional members to the Fifth Regional CPPCC Committee, the draft work report of the Standing Committee of the Fifth Regional CPPCC Committee, the draft work report of the regional CPPCC Committee in regard to the implementation of policies among CPPCC committees at all levels, the draft work report on motion disposition conducted in the period since the first session of the Fifth Regional CPPCC Committee, the draft namelist of candidates for the second session's Motion Examination Committee, and the draft name-list of candidates for various session's organs and for secretary general and deputy secretaries general of the second session.

Shi Shengrong, chairman of the regional CPPCC Committee, presided over the meeting. Attending the meeting were vice chairmen of the regional CPPCC Committee, including Chen Bingyu, Yang Lingde, Han Ming, Wei Zhaorong, Baoyanbatu, and Yun Zhaokuang.

#### WEI ZHAORONG REPORT ON NEI MONGGOL CPPCC SESSION

SK300155 Hohhot Nei Monggol Regional Service in Mandarin 2300 GMT 29 May 84

[Text] Wei Zhaorong, vice chairman of the regional CPPCC Committee, delivered a report on the handling of motions of the first session of the fifth regional CPPCC Committee delivered at the second session of the fifth regional CPPCC Committee. He said: During the first session of the fifth regional CPPCC Committee, we received 290 motions raised by committee members. After collation, we grouped them into 243 motions. Through a conscientious examination by the Motions Examination Committee, some 168 motions were put on record. By 30 April, some 166 motions had been handled, accounting for 98.8 percent of the total number of motions on file. Wei Zhaorong said: Units in charge of handling motions paid attention to motions raised by committee members universally. Many departments earnestly handled motions raised by committee members in the spirit of respecting the democratic rights of the CPPCC Committee members and of serving and being responsible for the people. Many constructive suggestions and opinions had been adopted.

#### ZHOU HUI ATTENDS SECOND CPPCC SESSION 29 MAY

SK300109 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 29 May 84

[Report by (Wu Xinmin) on the opening of the second session of the fifth autonomous regional CPPCC Committee on the morning of 29 May in Hohhot City -- recorded]

[Excerpts] This morning, the 363 members of the Nei Monggol Autonomous Regional CPPCC Committee from various social circles, democratic parties, mass organizations, and various nationalities throughout the region happily got together to discuss the region's big events of political life and economic construction, imbuing the session's hall with the warm atmosphere of unity.

Seated on the rostrum were Shi Shengrong, chairman of the regional CPPCC Committee; and Chen Bingyu, Yang Kingde, Han Ming, Wei Zhaorong, Ma Zhenduo, Baoyanbatu, and Yun Zhaokuang, vice chairmen of the regional CPPCC Committee. Attending the session to extend congratulations on the convocation of the session were Zhou Hui, first secretary of the regional CPC Committee, Bu He, chairman of the regional People's Government, Cai Ying, commander of the regional Military District, Hao Xiushan, vice chairman of the regional People's Congress Standing Committee, and Bai Junqing, vice chairman of the regional People's Government.

At 0800 this morning, after the approval of the session's agenda and the name list of members for the session's Motion Examination Committee, Baoyanbatu, vice chairman of the regional CPPCC Committee, announced the opening of the session. Shi Shengrong, chairman of the regional CPPCC Committee, delivered a speech at the session's opening ceremony, in which he reviewed the thriving situation prevailing on various fronts across the region over the past year and the gratifying achievements scored by the CPPCC committees in creating a new situation in their work. Following his speech, Chen Bingyu, vice chairman of the regional CPPCC Committee, entrusted by the regional CPPCC Standing Committee, delivered a work report at the session. Han Ming, vice chairman of the regional CPPCC Committee, delivered a report on implementing the policy on the CPPCC members. Wei Zhaorong, vice chairman of the regional CPPCC Committee, delivered a report on the disposition of motions offered by members at the first session. Among those who attended the session as observers were responsible persons from various democratic parties across the region and from the departments, commissions, and bureaus concerned.

YU KUO-HWA STATEMENT ON BEING NAMED PREMIER

OW260357 Taipei CNA in English 26 May 84

[Text] Taipei, May 26 (CNA) -- Yu Kyo-hwa, governor of the Central Bank of China, has won the consent of the Legislative yuan to be the next premier. Yu said in a written message Friday that he is very glad to take the assignment and will push government affairs with an active and optimistic attitude in the future of help create a new situation for the nation. Highlights of Yu's written message:

"I would like to express my sincere gratitude to the president for his trust in me and the legislators for their support of my nomination as the next premier. In recent years, our nation has made progress and achievements in all aspects of national development. However, there are still many challenges and difficulties ahead of us and many problems yet to be solved due to the ever-changing international situation. From now on, I will make the utmost efforts to fulfill my duty by following the president's instruction of 'national interest first and people's welfare foremost' and other principles.

"In the past six years, the Executive Yuan has laid a strong foundation for national development under the leadership of former premier Sun Yun-Hsuan. I am determined to push the government affairs with an active and optimistic attitude and respect public opinions in order to build a new future for the nation."

YU APPROVED BY 93 PERCENT OF LEGISLATORS

OW260405 Taipei CNA in English 0236 GMT 26 May 84

[Text] Taipei, May 26 (CNA) -- Ninety-three percent of legislators Friday gave their consent to President Chiang Ching-kuo's nomination of Yu Kyo-hwa, chairman of the Council for Economic Planning and Development, as new premier. They said they believe Yu's Cabinet will further enhance the national development and enable the people here to live more happily.

Legislator Yang Pao-ling said Yu is a sincere and honest person that is fully capable to be the premier. She said that Yu, as an economic and financial expert, is the best candidate for the premier because this nation will need further economic development to promote other national policies in the future. Legislator Pan Yen-hsing, also the convener of the Legislative Yuan Committee on Financial Affairs, said he believes Yu's Cabinet will be able to improve the nation's investment environment and current financial policies and make a breakthrough in the nation's diplomatic predicament.

Legislator Hung Yu-chin said he believes Yu will pay more attention to the opinions of the Legislative Yuan and further the function of public opinions. Legislator Pan Lien-fang said he hopes the new Cabinet will make more reforms to accelerate the nation's modernization to enable the people here to live more happily. Many legislators said they hope Yu can uphold the principles mapped out by President Chiang in handling government affairs and create a new situation to help complete the mission of mainland recovery at an early date.

NEW CABINET MEMBERS' BACKGROUND DESCRIBED

OW291031 Taipei CNA in English 1000 GMT 29 May 84

[Text] Taipei, May 29 (CNA) -- The Yu Kuo-hwa Cabinet is the youngest within living memory and is probably having the highest credentials in terms of education background. The incoming Cabinet, which will take office Friday [1 June] has four ministers under 50 years of age, which is a first since the government moved to Taiwan in 1949.

The four are Interior Minister Wu Po-hsiung, who at 45 is the youngest of the lot; Communications Minister Lien Chan, 48; Minister Without Portfolio Kuo Wei-fan, 48; and Justice Minister Shih Chi-yang, 49. All of them are native sons. Five other ministers of the Cabinet are aged between 50 and 60. They are Economics Minister Hsu Li-teh, 58; Tung Shu-fan, 53, chairman of the Mongolian and Tibetan Affairs Commission; Minister Without Portfolio Chang Feng-shu; Deputy Premier Lin Yang-kang, 57; Finance Minister Loh Jen-kong, 58; Tseng Kwang-shun, 59, chairman of the Overseas Chinese Commission.

At 74, K.T. Li, minister without portfolio, is the oldest member of the Yu Cabinet. The average age of the new Cabinet is 60.7 years, compared with 63.1 years in the Sun Yun-hsuan Cabinet. All of the Cabinet ministers have received a college education. Eleven of them, including Premier-Designate Yu, have pursued postgraduate training abroad. And nine of them hold postgraduate degrees, including three PhD's. Seven native sons are in the Yu Cabinet, one more than in the previous Cabinet. Aside from the four youngest Cabinet members, the other three are Deputy Premier Lin, Ministers Without Portfolio Henry Kao and Chang Feng-shu. Ten of the ministers and Deputy Premier Lin are members of the Sun family. The other seven are new appointees, including six who are joining the Cabinet for the first time.

Like its successor, the Yu Cabinet is billed a "fiscal and economic Cabinet," featuring stress on the nation's continued economic development. Former Finance Minister Hsu Li-teh is transferred to the economic portfolio, while the new Finance Minister, J.K. Loh, is promoted from the vice minister post. The arrangement is meant to strengthen cooperation between the two ministries. Chao Yao-tung, the original economic minister, will head the Interministerial Council for Economic Planning and Development. Nick-named "iron-headed Chao" because of his disdain with red tape, he is expected to work hand-in-glove with the other Cabinet agencies concerned to upgrade the Republic of China's economic structure in order to join the rank of developed countries by the next decade.

#### Justice Minister's Remarks

OW281035 Taipei CNA in English 1026 GMT 28 May 84

[Text] Taipei, May 28 (CNA) -- Promoted to minister of justice, Shih Chi-yang, the incumbent vice justice minister, said Monday that his ministry will double its efforts to crack down on the numerous sophisticated criminal cases.

The holder of LLD from the University of Heidelberg, West Germany, Shih said he will continue the efforts of his predecessors regarding criminal investigation, management of prisons, legal consultation, and supervision over the implementation of justice affairs. To improve the prison management, Shih said, his ministry will improve training program for gaolers. More prisons will be built to ease congestion at prison cells, and prisoners who have behaved well and those committing minor crimes for negligence will be given parole or be asked to pay fines instead of serving prison terms.

He said that the Ministry of Justice has set up a research center to study how to halt crimes of different nature. Economic crimes, which many people here are concerned about, are currently under intensive studies at the center for countermeasures.

#### Interior Minister's Comments

OW281047 Taipei CNA in English 1030 GMT 28 May 84

[Text] Taipei, May 28 (CNA) -- Newly-designated Minister of the Interior Wu Po-hsiung said Monday afternoon that social stability, labor welfare, elections, and the protection of the natural environment will be the major tasks he will take up after assuming his new post on June 1. Wu said that he has dedicated himself to public services for 17 years since he was first elected to the Taiwan Provincial Assembly. The working experience in the past 17 years has enabled him to meet people of various segments of the society and to learn their respective needs.

As minister of the interior, Wu said, he would try to lift the morale of the police and modernize the equipment of police units. Since the 4 million laborers in this nation constitute a potent force to maintain social stability, the ministry will continue to improve the livelihood of labor and better the relations between the labor and the management. He also emphasized the importance of effectively utilizing the limited resources to implement social welfare programs. Speaking of the ministry's responsibility in sponsoring elections, Wu said that he will see to it that bribery or violence are excluded from any elections in the future. The Ministry of the Interior will have a more active role in seeking coordination between the government and the private sector, Wu said.

At 45 years of age, Wu is the youngest among all the newly designated ministers, though he had served in such important posts as magistrate of Taoyuan, and director of the Taiwan Tobacco and Wine Monopoly Bureau. The new minister said that he is not very familiar with some of the problem areas of the interior affairs, such as the protection of the natural environment, resettlement of peddlers, and building public housing units. But he said these problems are all the important tasks to be tackled after he moves into the new office next month.

#### SENIOR GOVERNMENT APPOINTMENTS ANNOUNCED

##### Sun Yun-hsuan To Be Adviser

OW251427 Taipei CNA in English 1406 GMT 25 May 84

[Text] Taipei, May 25 (CNA) -- The secretary general to the president, Ma Chi-chuang, on behalf of President Chiang Ching-kuo, delivered a letter of appointment to former Premier Sun Yun-hsuan at Veterans General Hospital Friday. Sun has been appointed as a senior adviser to the president since he is no longer able to hold active office owing to a stroke he suffered three months ago. In addition to sending Sun a letter of appointment, Ma also conveyed President Chiang's regards to Sun and wished him a speedy recovery. In return, Sun asked Ma to thank President Chiang for sending his regards.

##### President's Secretary General

OW281021 Taipei CNA in English 1016 GMT 28 May 84

[Text] Taipei, May 28 (CNA) -- The ruling Kuomintang Monday approved President Chiang Ching-kuo's nomination of Shen Chang-huan as the secretary general of the president at a special meeting of its Central Standing Committee.

Shen, 71, a native of Kiangshu Province, is the incumbent secretary general of the National Security Council. He will succeed General Ma Chi-chuang, who has been named a minister without portfolio of the new Cabinet. The vacancy left by Shen will be filled by Wang Tao-yuan, currently senior adviser to the president. Wang, 71, of Anhui Province, once served as vice minister of national defense and minister of justice.

Taiwan Governor

OW281015 Taipei CNA in English 1000 GMT 28 May 84

[Text] Taipei, May 28 (CNA) -- The ruling Kuomintang Monday approved the newly appointed Premier Yu Kuo-hua's nomination of Chiu Chuang-huan as governor of Taiwan. Chiu, incumbent vice premier, is to fill the vacancy left by Vice President Lee Teng-hui. Chiu, 59, a native of Taiwan, holds a master's degree from National Chengchi University. He also once served as deputy secretary general of the KMT Central Committee and minister of the interior.

GOVERNMENT SPOKESMAN REITERATES ANTICOMMUNIST STAND

OW272017 Taipei International Service in English 0100 GMT 26 May 84

[Text] In Taipei, the Ministry of Foreign Affairs spokesman, Wang Chao-yuan said: The Government of the Republic of China is well aware of the united front tactics of the Chinese Communists, therefore it will never be tricked by Communists. Wire service reports said that Peking's premier, Chao Tzu-yang, told a meeting of the National People's Congress recently that Taiwan can maintain its autonomous status after it is unified with the mainland. Asked to comment on that, Wang said:

[Begin recording] Ever since Yeh Chien-ying's nine-point peaceful unification plan he advocated in the year of 1981, the Chinese Communists have been using every occasion to propose different peaceful suggestions, aiming at softening our fighting will and finally to subvert and infiltrate our anticommunist base. Our government from the very beginning recognized their ambition, so we have time and again made solemn statements to emphasize our solid position of no compromise, no contract, and no negotiation with the Chinese Communists. So we would like once again to reiterate our affirmation position [as heard] shall not be changed at any different situation. In the meantime, we would like to call for all the peace-loving peoples over the world, they should recognize completely the very nature of Chinese Communist intrigue and will not be fooled, confused, and misguided by their peaceful smokescreen. [end recording]

COMMENTARY DECRIMES DENG REMARKS ON HONG KONG PLA

OW281417 Taipei CNA in English 1402 GMT 28 May 84

[Text] Taipei, May 28 (CNA) -- Following is a commentary, "Red Garrison for Hong Kong," aired by the Broadcasting Corporation of China on May 28.

Teng Hsiao-ping delivered another shattering blow to the jittery residents of Hong Kong last week by announcing that Peking will station 3,000 to 5,000 troops on the colony after 1997. And share prices in the stock market immediately took another plunge. Teng dismissed as "wild talk" the assurance given by former Foreign Minister Huang Hua and former Defense Minister Keng Piao that no communist troops will be sent to Hong Kong after Peking claims sovereignty there. He said no one is entitled to speak for Red China except himself, Premier Chao Tzu-yang, Foreign Minister Wu Hsueh-chien, and the spokesman for the Foreign Ministry.

By openly contradicting two of his top lieutenants, Teng once again showed that Peking has yet to finalize a plan for the administration of Hong Kong after the Union Jack is lowered, even though it has pledged time and again that Hong Kong's capitalistic system would be allowed to remain for another 50 years after 1997. If there was such a plan, Huang Hua and Keng Piao would have certainly known what to say. Apparently, Huang and Keng gave the assurance of not stationing troops in Hong Kong with a view to calming the nerves of the 5.5 million residents there. But Teng has other considerations.

With the signing of a final agreement with Britain over the future of Hong Kong drawing near, Teng does not want to be pinned down by any specific assurances about so important a matter as the stationing of troops. It is said that Teng wants to station troops in Hong Kong to signify the exercise of full sovereignty over the colony after 1997. Actually, that's quite unnecessary. Britain has officially announced its decision to relinquish both sovereignty and administrative control and will have the decision formalized in the agreement soon to be signed with Peking.

Nor is it necessary for Peking to send troops to Hong Kong for military purpose. No conceivable invaders are in sight. If Hong Kong was invaded, there would be ample time to send troops for its defense. So the presence of a Communist garrison has more than symbolic value. Peking has promised to let the people of Hong Kong govern themselves. The promise will have to be put down in black and white when it signs the final agreement with London.

Since self-government includes the right to maintain law and order by the local police, the residents of post-1997 Hong Kong might be tempted to interpret Peking's pledges too literally and really take things into their own hands. The presence of a Communist garrison on the colony would change the situation. It will serve as a reminder to its residents that the real boss is Peking, and as a warning that nobody on the colony will be allowed to go against the wishes of the communist bosses in Peking.

EXECUTIVE YUAN: FORCES 'FULLY PREPARED FOR WAR'

OW290630 Taipei CHINA POST in English 25 May 84 p 11

[Text] The Republic of China Armed Forces are fully prepared for war, the Executive Yuan said yesterday. In its written reply to a question from Legislator Liu Sung-fan, the Executive Yuan stated that the Armed Forces are highly mobile and ready to fight should a war break out. Success in recovering the mainland depends ultimately on military actions, the Executive Yuan continued, adding that the Armed Forces are constantly renewing their equipment and improving their training. The plans for economic development implemented in the past three decades have all been designed to enhance national strength, and all the major construction projects have been aimed at developing the economy and meeting defense needs, said the Executive Yuan. In recent years, efforts have been made to develop chemical and strategic industries, such as steel, shipbuilding, petrochemical, automotive, precision machine, automatic machine, and information industries. The development of all these industries is closely related to the national defense industry, the Yuan said.

CHINA POST ON DEFENSE INDUSTRY DEVELOPMENT

OW300413 Taipei CHINA POST in English 27 May 84 p 2

[Editorial: "A Self-Sufficient Defense Industry"]

[Text] In a recent reply to a question from a legislator, the Executive Yuan said the Armed Forces are constantly renewing their equipment and improving their training. The statement added that government plans for economic development have been designed to augment the nation's military might. The development of an advanced defense industry is vital, and it does depend on the economic strength of the nation. The manufacture of weapons such as aircraft and warships requires the development of key industries such as steel, shipbuilding, petrochemical, automotive, and information industries. It is encouraging that the ROC has been making rapid advances in these industries. These advances are immensely important to a strong defense industry. Although to most people nothing is more revolting than war, preparedness for war is the only way to safeguard national security. The ROC, in its life-or-death struggle against the Communists across the Taiwan Strait, must constantly strive to strengthen its defenses. We should pursue every option to win this struggle.

CHINA POST ON U.S. POLITICAL SUPPORT FOR ROC

OW260903 Taipei CHINA POST in English 23 May 84 p 4

[Editorial: "American Political Support"]

[Text] THE WALL STREET JOURNAL recently explained how the Republic of China [ROC] uses trade and hospitality to win grassroots political support in the United States. When seven Nevada officials and their wives visited Taiwan they were served a generous helping of Chinese hospitality. The visitors were shown some of our best attractions, which included the National Palace Museum and our steel and shipbuilding operations. They enjoyed a banquet each evening. In return the visitors presented a proclamation from Nevada's governor which congratulated President Chiang Ching-kuo and Vice President Lee. THE JOURNAL noted that the carefully orchestrated tour reflected more than merely hospitality. It was part of Taiwan's effort to win friendship and support. Taiwan now has "sister" relationships with 17 U.S. states. Sisterhood calls for the joint signature of an agreement and the exchange of visitors. We also have similar relationships with 74 American counties and cities. Taipei has 10 sister cities in America and there are even sister port authorities. A total of 31 U.S. states have passed friendship resolutions urging continued American support and arms sales to the Republic of China. Some state resolutions call for the restoration of full diplomatic relations between the Republic of China and the United States.

The Republic of China is working to improve relations with the U.S. Congress. Congressional ties are important because White House support is limited by policies and commitments made to Communist China. Last year Congress passed resolutions supporting the ROC's membership in the Asian Development Bank, another resolution emphasized that the wishes of Taiwan's people should be considered in any solution for reunification with the mainland. Peking branded the resolution as pro-Taiwan. Another tool is trade. Since 1978, we have sent "buy American" trade missions to America. They purchased American products valued at U.S.\$6.6 billion. The trade missions are intended to narrow the huge trade surplus with the United States, which reached U.S. \$2 billion in the first quarter of 1984. The trade missions are organized to encourage political enthusiasm for the ROC. The missions hold news conferences, THE JOURNAL notes, to mark the opening and awarding of bids and the signing of contracts. All this is well known in Taiwan. The significant fact is that THE JOURNAL has called attention to the facts for American readers.

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31 MAY 1984

